



The Pathway For Accounting Students

Center for Financial Reporting & Management
(Updated July 15, 2014)

IMPORTANT DISCLAIMER

- We at CFRM are not members of the California Board of Accountancy and cannot speak for the Board.
- This document does not constitute legal advice. Thus, there can be and is no guarantee of the accuracy of anything that follows, although we have done all that we can to ensure that it is as accurate as possible.
- Further, this summary addresses only a portion of the rules and requirements of the Board of Accountancy. This focuses on the highlights and the areas where we have seen the most confusion.
- Some of this information is specific to candidates from the University of California at Berkeley.
- For complete and more direct information (although some of it might be hard to figure out), contact the California Board of Accountancy at:

CALIFORNIA BOARD OF ACCOUNTANCY

TELEPHONE: (916) 561-1701

WEB ADDRESS: www.dca.ca.gov/cba

EMAIL: licensinginfo@cba.ca.gov

THE NEW REQUIREMENTS

Graduating after 2012 or Unable to Meet Requirements by 1/1/2014

The Only Pathway	NOTES:
Bachelor's degree	
150 semester-units of total coursework	
30 semester-units of Accounting	Increase of 6 units from old requirements
38 semester-units of Business-related subjects	Increase of 14 units from old requirements (See slides for details)
10 semester-units of Ethics-related coursework	New requirement (See slides for details)
Pass all parts of the CPA Exam	
One year of general accounting work experience	Work anywhere, under the supervision of a CPA
Pass an on-line ethics class	Taken on-line prior to completing your application

Accounting Coursework Offered at Haas

Course Number	Course	Semester-Units
UGBA 102A	Intro to Financial Accounting	3
UGBA 102B	Intro to Managerial Accounting	3
UGBA 120AA	Intermediate Financial Accounting I	4
UGBA 120AB	Intermediate Financial Accounting II	4
UGBA 120B	Advanced Financial Accounting	4
UGBA 121	Federal Income Taxes	4
UGBA 122	Financial Information Analysis	3
UGBA 126	Auditing	4
UGBA 128	Strategic Cost Management	3
UGBA 129	Financial Reporting for Complex Transactions	3
UGBA 131	Corporate Finance and Financial Statement Analysis (The only Finance course that qualifies)	3
UGBA 127	Special Topics Courses (Vary by Semester, Usually 3 Offered per Year); Recent Offerings: <ul style="list-style-type: none"> • International Financial Reporting • Operations and Financial Reporting in the Financial Services Sector • Fraud & Forensics 	Vary

What Are Business-Related Courses?

- Courses in the following departments, areas, majors, disciplines:
 - Business Administration
 - Business Communications
 - Business Law
 - Finance
 - Business Management
 - Marketing
 - Business Related Law Courses offered by an accredited law school
 - Computer Science/Information Systems
 - Economics
 - Mathematics
 - Statistics

38 Units of Business-Related Coursework

- Can be Accounting or Business coursework (as defined on previous slides)
- **“BONUS UNITS”** --- Maximum of **nine (9)** of these units can be considered business-related subjects, outlined below:
 - Skills-based courses (**Maximum of 3 units**)
 - Disciplines: English, Communications, Journalism, and the Physical, Life, Natural, and Social Sciences
 - Language-based courses (**Maximum of 3 units**)
 - Courses in foreign language, sign language, courses with the terms “Cultural,” or “Ethnic” in the title
 - Industry-based courses (**Maximum of 3 units**)
 - Courses with the words “Industry” or “Administration” or courses in the following disciplines: Engineering, Architecture, Real Estate

Units of Business-Related Coursework (Continued)

- Up to 4 units from internships and independent study in accounting/business fields can be applied if you earn academic credit for the internship/independent study
- **NOTE:** Completion of a Masters of Accounting, Masters of Taxation, or Masters of Law in Taxation (LL.M.) shall be deemed equivalent to completing additional units
 - These masters degrees pre-empt the need to obtain the 6 specific accounting units, plus 14 additional units of accounting- or business-related units as described on the previous slides

Ethics Requirements (10 Units)

- **Maximum of 10 additional units** from courses with the following **specific*** terms in the title:

- Auditing
- Business Law
- Corporate Governance
- Ethics (Ethical is OK), Morals, or Fraud
- Organizational Behavior
- Human Resources Management
- Management of Organizations
- Business, Government & Society
- Leadership
- Professional Responsibilities (non-accounting)
- Legal Environment of Business
- Corporate Social Responsibility

* ***Cannot substitute courses with similar terms***

- Continued...

Ethics Requirements (Continued)

- **“BONUS UNITS”:** Maximum of 3 units from courses in the following disciplines:
 - Philosophy
 - Religion
 - Theology
 - Course titles in these disciplines **must contain one of the following words/terms:** “Introductory,” “Introduction,” “Principles of,” “Survey of,” “General,” “Fundamentals of,” “Foundation of”
- You can split the units for the Auditing course (e.g., for our 4-unit UGBA 126 course, one unit could apply to **Ethics** and 3 units could be applied to the **Accounting** requirements). Only 1 unit of an Auditing course can be used for the **Ethics** requirements
- **NOTE:** Effective January 1, 2017, 3 units must be obtained from an accounting ethics, accounting fraud, accountants’ professional responsibilities course

Ethics-Related Courses at Haas

Course Number	Title	Semester Units
UGBA 107	The Social, Political, and Ethical Environment of Business	3
UGBA 126	Auditing	1
UGBA 127	Special Topics in Accounting – Fraud & Forensics	2
UGBA 151	Management of Human Resources	3
UGBA 157	Special Topics in Organizational Behavior – Leadership: Purpose, Authority and Empowerment	3
UGBA 170	Business Ethics in the 21 st Century	2
UGBA 175	Legal Aspects of Management	3
UGBA 177	Colloquium on the Social, Political, and Ethical Environment of Business	1
UGBA 196	Special Topics in Business Administration – Improvisational Leadership	3
UGBA 196	Special Topics in Business Administration – Leadership & Personal Development	3

You may use only 1 unit from UGBA 126 (which is a 4 unit course) to apply to the Ethics Study requirement.

Summary of New Requirements = Total 150 Units

Includes 78 units in the following 3 buckets:

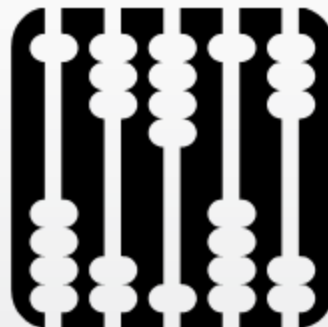


No double dipping allowed – units can only be used for one bucket!

What Does it Take to Become a CPA?

- Follow the 3 Es:

1. Education
2. Exam
3. Experience



Picking Up Additional Coursework

- UC Berkeley Extension
- Accredited Community Colleges
- Advanced Placement Units
- Other Colleges and Universities

NOTES: Online courses and courses taken Pass/No-Pass (Pass/Fail) count!
All courses can be either upper or lower division courses.

DON'T PANIC!

- The new requirements may seem like a lot, however...
- You can meet many of the requirements through courses
 - you have **already taken** as part of your pre-requisites or breadth course work
 - you were **planning to take** for your major requirements



BOTTOM LINE: You are probably in better shape than you think!

Strategy Under the “New” Rules

- Will you be able to attain **150 hours overall**?
 - At UC Berkeley
 - Community college (courses count even if they don't transfer to UC Berkeley)
 - UC Berkeley Extension
 - High school advanced placement credits
- If not close (132 units or fewer at graduation), you may want to consider a Masters program
- If yes, plan as follows:
 - Plan timing and pace of **Accounting** courses (**30 units**)
 - Fit in **Ethics** requirements (**10 units**)
 - Then, apply remaining courses to **Business** courses (**38 units**)

What You Can Do

- Plan your coursework as early as you can
- Map your status/progress using the course requirement checklists (see CFRM website)
- Seek advisement from CFRM
- Online courses and courses taken Pass/No-Pass (Pass/Fail) count

For FAQs, see:

<http://groups.haas.berkeley.edu/accounting/students/studentFAQ.html>

Advice re: Courses Outside UC Berkeley and Courses Taken Pass/No Pass

- For the **Accounting bucket**, we recommend that you take most of your **Accounting** courses (i.e., all but one or two) at UC Berkeley (not UC Extension) for a letter grade
 - *In general, the firms are hiring you for your accounting education*
- All other buckets and course requirements can be completed elsewhere and/or on a Pass/No Pass basis

2. The Exam

- Same topics/format for all students across the country
- 4 Sections to the exam:
 1. Financial Accounting & Reporting (FAR)
 - 4 hours long
 2. Auditing & Attestation (AUD)
 - 4 hours long
 3. Business Environments & Concepts (BEC)
 - 3 hours long
 4. Regulation (REG)
 - 3 hours long

Very Important Timing Matters

- To apply to the State Board to take the CPA exam, you need to have the following requirements completed (as evidenced by official transcript(s)) :
 - Bachelor's degree
 - 24 units of accounting, and
 - 24 units of business-related courses
- NOTE: To become *licensed*, you need to pass the exam, plus all of the other requirements
- It takes between 60-90 days after graduation for UC Berkeley Registrar's Office to get your **official** transcript to the Board of Accountancy
- The Board of Accountancy needs to review and approve your transcript prior to allowing you to take the CPA Exam (this takes them approximately 30 days to process)

Structure of Exam

- Exams are taken at Prometrics testing centers
- Quarterly testing windows – 2 months of every quarter
- Can take any number of sections per quarter
=> Normally, people take one section per quarter
- Must pass all 4 parts within 18 months after passing your first part
- A “pass” is 75% correct on each part

3. The Experience

- This is the work experience you obtain working in accounting (under the supervision of another CPA)
- Internship time counts toward experience
- Two “levels” of CPA
 - General license
 - Audit license – must have supervisory experience
 - Can obtain the general license and switch to audit license later when you get the appropriate experience

More on Experience

- Most accounting firms have processes and procedures in place to help you:
 - Track your preparation to become a CPA
 - Record your work experience to submit to the California Board of Accountancy
- Often, the firms incentivize staff (\$\$\$) to pass the exam and become certified

The Life of a CPA

You are born.

You're a carefree
kid.

Enroll in college.
(Start the
Education phase)



Additional Information

See FAQs at

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or

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University of California

Berkeley

Haas School of Business

The Life of a CPA

Buy a suit.
(Start of the
Experience
phase)

Get a summer
internship
(Hiring in Fall of
Sophomore or
Junior Year)

Get your
bachelor's
degree.

Get additional
course units (or
Masters Degree)



The Life of a CPA

Get a job.
(The Experience
Phase
Continues)

Get your own
place.

Apply for the
CPA Exam
(The Exam
Phase Starts)

Pass the Exam



CALIFORNIA APPLICATION FOR
THE UNIFORM CPA EXAMINATION

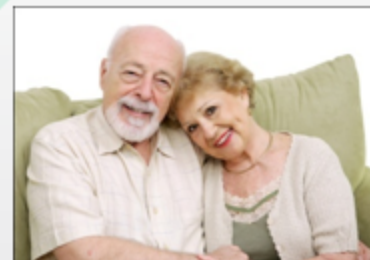
75%

The Life of a CPA

Celebrate.

Reap the
benefits.

Live a long and
prosperous life.



1. The Education Requirements

- Overview
- Resources

Overview

- In the State of California, rules are determined by the California State Board of Accountancy (under the Department of Consumer Affairs)
 - <http://www.dca.ca.gov/cba/>
- Other states have different requirements
 - <http://www.nasba.org/stateboards/>

Recent Changes to the Requirements

- Went into effect *January 1, 2014*
- Dramatically changed the education requirements to obtain a CPA license in the State of California
 - *Changes made to put California on par with other states*
 - *Eases mobility of California CPAs across the country/globe*