The American Accounting Association (AAA) Task Force responding to the NASBA exposure draft developed talking points indicating unintended consequences of proposed changes in the Uniform Accountancy Act, addressed to Business School Deans, Accounting Department Heads, Public Accounting Firms and members of State Boards of Accountancy.¹

**Public Accounting Firms:**

The Exposure Draft of Uniform Accountancy Act, Rules 5-1 and 5-2 offered by the National Association of State Boards of Accountancy (NASBA) has numerous implications. Some of the most salient ramifications for public accounting firms are:

- It would cause a significant decline in the number and quality of students who are qualified to sit for the CPA Exam because students would select majors other than accounting that provide more flexibility in designing an acceptable program of study (such as Finance). Students in specialty areas (such as tax, information systems, and internal audit) may not qualify to sit for the exam within 150 hours. In addition, many schools may not change their curricula to comply with these standards. Rather, these schools may choose to prepare students for the many career opportunities that accounting students have other than the auditing of public companies (such as corporate accounting). In the current environment of declining number of students sitting for the CPA Exam and an increasing demand for CPA-qualified accounting graduates, adding more barriers to entry would have devastating effects for the profession.

- It would lead to degradation of the quality and relevance of accounting education. It mandates curricula with excessive specificity and rigidity that is a step back from the curricular innovations that have been a response to the public and profession. For schools complying with these standards, these proposals would reduce their ability to offer or develop courses that are currently providing significant benefits to the students (and therefore the profession) such as forensic accounting, internal auditing, risk management, and internal controls. Consequently there would be fewer students qualified to meet the diverse needs of the profession.

- It reverts from the mission driven, assurance of learning approach to curriculum adopted by AACSB, back to a one-size-fits-all input based model. The additional hours required under the proposal would further restrict cooperative education programs, internships, distance learning, international programs, and independent studies.

The American Accounting Association Task Force convened to address the NASBA proposal recommends that NASBA withdraw the current proposal. Failing that, the Task Force recommends that State Boards of Accountancy reject the proposal.

The Task Force urges public accounting firms to work with their accounting faculty in communicating to NASBA and State Boards of Accountancy the implications these rules would have for them. The deadline for comments on the proposal is June 30. It is urgent that you act before June 15. Contact information for State Boards may be found at: www.nasba.org. You may send comments to NASBA via email to kellis@nasba.org or by fax to 615 846-0149.

For additional information and contact details see the AAA Task Force Resource Page at http://aaahq.org/temp/NASBA/index.cfm.

¹ These talking points were developed by an AAA task force convened to address the NASBA exposure draft and do not necessarily represent the views of all members of the AAA.