

CPA Evolution: A Survey of Accounting Faculty Across the U.S.

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Abstract

The CPA Evolution initiative, effective January 2024, reorganizes and updates the CPA Exam content under a new CPA licensure model. This paper explores how accounting faculty perceive these changes. To investigate, we surveyed accounting faculty members at US universities about their perceptions of, and reactions to, the CPA Evolution model. We received responses from 149 accounting faculty members from universities across the United States. Our analysis indicates that CPA Evolution is perceived as a positive influence on the accounting profession as well as universities and students. Specifically, while the changes are expected to increase the time and effort required for exam preparation, respondents believe the overall impact will be positive for student enrollment, the quality of students, and the number of students pursuing a CPA license. However, the findings also suggest that the increased time and effort required for exam preparation may place a disproportionate burden on minority students. Finally, the survey results indicate that many educators feel unprepared to effectively adapt their course content to align with the changes.

Introduction

The CPA Evolution initiative is a joint effort by the AICPA and the National Association of State Boards of Accountancy (NASBA) to reorganize and update the CPA Exam content, effective January 2024. Among other things, the intent was to recognize the knowledge and skills needed in the future as well as today (AICPA 2023). We utilize a survey to explore accounting faculty reactions to CPA Evolution. Our analysis includes their overall perception, as well as the specific impact on students, universities, and the accounting profession. Additionally, we collect feedback on the extent to which accounting faculty and departments are prepared to adapt course content to the CPA Evolution model.

As discussed in more detail later in this article (Literature Review – The CPA Evolution Model), the updated exam consists of three core sections covering: accounting; auditing; and taxation, with an emphasis on technology across the three sections. In addition, each candidate must demonstrate competence in one of three disciplines: business analysis and reporting; information systems and control; or tax compliance and planning (AICPA 2023, Yeaton 2020/2021).

Additionally, the updated CPA Exam arrives at a time when accounting programs and the profession are experiencing a significant decline in the number of students selecting accounting as a major (AICPA 2023; Grady and Keshk 2024) and may potentially reduce the number of accounting students who pursue CPA licensure. Moreover, the new licensure model potentially further complicates accounting educators' and departments' efforts to update their curricula and courses to raise students' interest in accounting as a career.

Therefore, to explore the reaction of accounting faculty to the new licensing requirements, we surveyed 149 accounting faculty members from universities across the United States. Our analysis indicates that participants generally perceive the CPA Evolution as having a positive impact on the accounting profession, students, and universities. Specifically, it is seen as a positive influence on student enrollment, academic and career goals, and increasing the number of students willing to take the CPA Exam and pursue careers in public accounting. However, participants express concerns that the CPA Evolution's impact on minority students may be less favorable.

As discussed in more detail under Results, our survey also probes faculty readiness. A much earlier faculty survey by Melton (2021) focused on faculty readiness. This earlier survey found that 35% hadn't yet reviewed the new CPA licensure model at all or only reviewed it just a little. This compares to our current survey results suggesting that 30% of faculty do not feel fully prepared.

To the best of our knowledge, our study is the first to examine accounting faculty members' perceptions about, and reactions to, the new CPA Evolution model. Our findings are relevant to accounting faculty members, students, universities, and professionals (including the AICPA and NASBA). Accounting faculty members play a key role in the overall success of the new CPA licensure model as faculty members carry the main responsibility for preparing students to pass the CPA Exam and start their careers in public accounting. Furthermore, research finds that accounting students consider professors to be their main source of information about the profession and potential career paths (DeZoort, Lord, and Cargile 1997). This means that accounting faculty members' perceptions about, and reactions to, the new CPA Evolution model will have a direct influence on students' willingness to take the CPA Exam and join the public accounting profession.

Literature Review

CPA Exam and Licensure Model Updates

The AICPA updated the CPA Exam and licensure model several times in response to the continuous changes in the accounting and business environments; and because of changes in the technologies and methods that accountants and auditors use in their work. Whenever the CPA Exam and licensure model change, questions arise about how accounting departments and faculty members perceive the new CPA Exam and licensure model, and how well are they prepared to adapt their classes and teaching methods accordingly.

For example, the CPA Exam model introduced in 2017 started testing accountants' critical thinking, analysis, and evaluation skills. Freeman (2018) surveyed accounting faculty members in the Southeast United States about the instructional methods they use in their classes to see whether professors have updated their instructional methods to help students develop the new skills emphasized in the then new CPA Exam. Based on a sample of 69 faculty members who responded to the survey, with an average of 44 respondents per question, the study revealed that the majority of faculty members still relied on lecturing and demonstration of problems in their teaching. The study concluded that faculty members still relied mainly on traditional teaching methods that did not help students develop the skills of critical thinking and analysis and evaluation of information that were tested in the new version of the CPA Exam.

Conteh and Oke (2019) examine CPA Exam pass rates for the period 2013-2017 and propose a number of changes to accounting curricula that aim at improving the CPA Exam pass rates. The study surveys a random sample of 195 accounting professors and students in US universities regarding their opinions about the suggested changes to accounting curricula. Results reveal that participants believe that CPA Exam pass rates can be raised by requiring students to complete 150 credit hours of education before sitting for the CPA Exam, increasing credit hours for intermediate accounting, taxation, auditing, and advanced accounting, and including governmental accounting, business environment and concepts, and regulation in the accounting curriculum.

Fogarty and Lowensohn (2017) investigate the alignment / misalignment between the purposes of the CPA Exam, that are mainly defined by the accounting profession, and the academic values held by accounting programs. The authors examine how the CPA Exam changed over time up to the changes introduced in 2017. They conclude that the focus

of the CPA Exam is sometimes inconsistent with the academic values of accounting programs, especially when it comes to content focus (where academics emphasize breadth and rigor of knowledge while the CPA Exam focuses on practical relevance), skill development (where academic programs focus on theoretical knowledge while the CPA Exam places significant emphasis on applied skills), legal defensibility (where academic programs are not characterized by high levels of accountability, unlike professional licensure exams), and economic and practical relevance (where academics do not focus on economic pressures and real-world applicability to the same extent as the CPA Exam does). The authors suggest that accounting academics should work to bridge the gap between the CPA Exam and academic accounting values through curriculum adjustments, content prioritization, and more engagement with the CPA Exam update process.

The CPA Evolution Model

The updated CPA Exam requires each candidate to successfully demonstrate knowledge and skill in three core subject areas, plus one specialized discipline (chosen by the candidate). Specifically, the three core sections are: Auditing and Attestation (AUD); Financial Accounting and Reporting (FAR); and Taxation and Regulation (REG). In addition, each candidate must select and pass one of the three specialized discipline sections: Business Analysis and Reporting (BAR) which focuses on financial analysis and advanced technical accounting; Information Systems and Controls (ISC) which emphasizes IT audit, governance, and cybersecurity; or Tax Compliance and Planning (TCP) which covers advanced tax compliance and planning for complex transactions (Lysak and McFarland, 2023). Further, the new CPA Exam emphasizes data analytics and technology in all of its sections and disciplines (Tysiac 2019; Yeaton 2020/2021).

The AICPA's Practice Analysis (AICPA 2023) provides an overview of how exam content is distributed/tested within the new model. Substantially all content previously tested in the Business Environment and Concepts sections is now reallocated to the AUD, FAR, BAR, and ISC sections. New content will primarily appear in the ISC and TCP sections. Specifically, IT infrastructure, platforms, and services; security, confidentiality, privacy, and considerations for System and Organization Controls (SOC) engagements will be assessed in the ISC Discipline Exam section. In addition, personal financial planning and tax planning will be assessed in the TCP Discipline Exam section. The AICPA further notes that data and technology concepts and higher order skills will be tested in all Core and Discipline exam sections.

A recent study focuses on the extent to which accounting curricula are adapted to the new CPA Exam. In his dissertation, Hall (2023) examined the preparedness of the top 100 U.S. Higher Education Institutes (HEIs) for the changes introduced in the CPA Evolution Model Curriculum that was announced in 2021 and was scheduled to be effective at the beginning of 2024. Top HEIs were identified as HEIs with the highest CPA pass rates in 2016, as published by NASBA. The study performed a pre-post test by evaluating the degree of correspondence of accounting course descriptions in these HEIs to the CPA evolution model curriculum that was announced by the AICPA and NASBA in 2021. This evaluation was done for two academic years: 2016-2017, which is the year when AICPA and NASBA announced they will start evaluating the need for updating the CPA Exam model; and 2022-2023, which is the year after the AICPA and NASBA announced adopting the new CPA Exam model.

Results reveal that although the top 100 HEIs made changes to their curriculums in response to the CPA evolution model curriculum, more revisions were still needed. For example, as of the 2022-2023 academic year, only 64 percent of accounting programs at those HEIs taught data analytics, and less than half of the accounting programs covered IT governance and cybersecurity.

Another recent study examines the influence of the new CPA Evolution model on students' interest in accounting degrees and becoming CPAs. Johnson, Lang, and Mauldin (2024) run a quasi-experiment to examine the effect of the new CPA Exam format on undergraduate business students' preferences for becoming CPA certified and pursuing careers in public accounting. Based on 205 participants, the authors find that, compared to the old CPA Exam format, the new CPA Exam format results in significantly stronger student preference for pursuing the CPA certification, and marginally stronger preferences for pursuing a career in public accounting. Further, these findings are primarily driven by responses from non-accounting students (those majoring in non-accounting majors) who prefer accounting careers.

The Role of Accounting Educators

Accounting educators are one of the key parties responsible for the success of the new CPA licensure model. They enable accounting students to acquire the knowledge and develop the skills necessary to pass the CPA Exams and become thriving accounting and auditing professionals. In addition, educators are the main source of information about the accounting profession for most students (DeZoort, Lord, and Cargile 1997). That is why, whenever a new CPA licensure model is released, an important question arises about how accounting educators and departments perceive the new model, and how ready they are to incorporate the changes introduced in that model in their curriculum and teaching methods (for example, see Bakarich et al. 2021).

Nagle, Menk, and Rau (2018) examine institutional factors that influence accounting program graduates' CPA Exam pass rates. The paper analyzes NASBA's CPA Exam pass rates for 2,895 accounting programs (2,065 undergraduate programs and 830 graduate programs) during 2013-2015. The paper finds that completing a graduate degree (to satisfy the 150 credit hours requirement), a program's accreditation, selectivity in student admissions, and percentage of faculty who are CPA-certified, are all positively associated with higher CPA pass rates of the program's graduates for the period 2013-2016. However, the percentage of accounting faculty who hold a PhD, the program's research ranking, and public vs private nature of the program were not significantly associated with the CPA Exam pass rates.

Bline, Perreault, and Zheng (2016) examine the relationship between accounting faculty characteristics and graduates' CPA Exam pass rates. Based on analyzing nearly 700,000 first exam sittings during the period 2005-2013, the authors show that the percentage of faculty specialized in areas covered by the exam, the percentage of faculty who are CPA-certified, and faculty research productivity are all positively related to graduates' CPA Exam pass rate.

Research Objective and Method

As we noted above, accounting educators play a key role in the overall success of the new CPA licensure model. Therefore, our survey is designed to explore faculty perceptions of and reactions to the CPA Evolution and their readiness to incorporate the changes introduced in the CPA Evolution in their classes and teaching methods.

Survey Questions

Using this survey as an opportunity to explore the use of artificial intelligence, we used ChatGPT to suggest an initial list of survey questions. In our opinion, the ChatGPT questions were too general, and lacked the usage of professional accounting terms. Consequently, we started over and (with informal input from several other accounting faculty) developed this study's survey questions (see Exhibit A). Finally, the project/survey was reviewed and approved by our institution's internal review board (IRB).

Participants

We collected accounting faculty members' information from US university websites. To investigate the possibilities of using ChatGPT in research, we copied faculty members' information from university websites and pasted the information into ChatGPT. We asked ChatGPT to extract faculty members' first names, last names, positions, and email addresses in a table format. We reviewed the information extracted by ChatGPT for accuracy and completeness before using it to contact accounting faculty members. We utilized Qualtrics to contact 1,658 accounting professors from over 100 schools across the United States, receiving responses from 149 faculty members representing 70 universities in 26 states, giving us a nine percent response rate. As noted by Cook, Heath, and Thompson (2000), internet-based surveys typically yield low response rates. However, given the homogeneous nature of accounting faculty in the United States, we believe the 149 responses representing 70 universities across 26 states to be satisfactory for the purposes of this survey. Also, we argue that focusing on universities that list accounting faculty members' information on the same webpage does not reduce the generalizability of our results. This is because the responses we received come from universities of different sizes and ranks that reasonably represent the population of universities in the United States.

The majority of the respondents were tenured or tenure track professors (72%) and teach at public universities (89%). More than half of the respondents (56%) hold a CPA license. The average respondent has 15 years of teaching experience and 11 years of experience working in accounting. Although professors teaching all the main accounting classes were well represented (e.g., auditing, tax, managerial, etc.), approximately half (55%) teach financial accounting courses. See Table 1 below for further demographic information on those that responded to our survey. Importantly, we did not observe significant variation in perceived preparedness based on respondent credentials (CPA vs. non-CPA), faculty status (tenured vs. non-tenured), years of teaching or work experience, course level, or institutional size.

Our survey contains both multiple choice and open-ended response type questions (see Appendix A). Consistent with prior research on coding participant responses to open-ended questions (e.g., Kammeyer and Roth, 1971; Leiva et al., 2006), the co-authors each read through a sample of the replies and categorized them based on topic. The categorized topics each co-author came up with were then compared and combined to make a template that was then used to categorize the remaining replies. Some participants gave multiple ideas in their responses to the open-ended questions. Thus, for some of the open-ended questions it was possible for answers to be grouped into more than one topic category.

Results

As detailed below, our survey indicates that accounting faculty generally perceive the CPA Evolution as having a positive impact on the accounting profession, students (with the exception of minority students), and universities. However, somewhat surprising (and discussed in more detail below) is that many faculty members do not feel fully prepared.

Faculty

Our survey found that many faculty do not feel fully prepared to adapt their course content to the updated exam. Although most accounting educators are aware that there are changes to the CPA Exam and some have actually received related training, the survey results suggest that many faculty members are in a ‘catch-up’ phase. To further elaborate, the sixth survey question (which was open-ended) is designed to determine whether faculty feel prepared to teach to the new exam and asked what resources they felt they needed. Nearly 30% responded that they do not feel fully prepared. Only 40% responded that they feel fully prepared. The faculty members specifically request: more detailed information on the topics covered by the update exam, training, and teaching materials (e.g., sample exam question or case examples).

With respect to accounting department preparation, the seventh survey question (which was also open-ended) was designed to explore whether participants felt their departments were prepared. Not surprisingly, given the above finding, approximately 38% also felt their departments were not fully prepared. Only 37% replied that their departments were prepared. The remaining respondents either did not respond to this question, had no opinion, or were unsure of the status of their department.

Why do so many faculty feel unprepared?

While a surface-level reading of the responses does not fully explain why so many faculty report feeling unprepared, deeper patterns and underlying meanings do begin to emerge when the data is interpreted more holistically. In this context, we turn to a qualitative interpretive approach to identify two latent themes that may account for the concerns expressed.

These themes are based on informed intuition - that is, our familiarity with the dataset, recognition of patterns across responses, interpretation of implied meanings, and professional experience as accounting educators. Although these themes are not stated explicitly in the text of most responses, they reflect underlying concerns and emotional tones

that were repeated across the dataset. We believe the themes (discussed below) are grounded in the data and offer insight into the factors contributing to faculty uncertainty about CPA Evolution.

Emerging Patterns in the Data

In the open-ended responses, one notable pattern was a recurrent call for assistance, which included requests for:

- More detailed guidance on the scope and content of the revised CPA Exam;
- Teaching materials and training specifically aligned with new competencies;
- Support from firms in the form of guest lectures, co-hosted events, and shared resources;
- More collaboration between educators and practitioners, including conferences, networking, and joint initiatives; and
- Enhanced communication and support from professional bodies such as the AICPA and NASBA.

Latent Theme #1: Limited Practitioner-Academic Connectivity

The first latent theme emerging from these responses points to a gap in practitioner-academic collaboration. While not always stated directly, the repeated calls for external support suggest that some accounting departments may lack strong, ongoing relationships with practitioners and professional organizations. This includes limited participation in job fairs, local professional events, chapter meetings, and other forums where real-time developments in the profession can be shared and internalized. This lack of connectivity may contribute significantly to feelings of unpreparedness, particularly in environments where professional guidance and exam updates are not actively disseminated through formal or informal networks.

Latent Theme #2: Discomfort with Competency-Based Pedagogy

A second latent theme reflects a deeper pedagogical concern. CPA Evolution's shift toward higher-order skills - such as judgment, skepticism, ethical reasoning, and critical thinking - represents a significant departure from more traditional, technical, drill-and-practice approaches. Many instructors appear to struggle not with the content per se, but with how to redesign assignments and simulations that cultivate these softer, yet essential, professional competencies. The request for “more detailed materials” may, in part, reflect a broader lack of confidence or familiarity with instructional strategies that emphasize experiential learning, open-ended problem solving, and professional judgment.

Additional Insights on Faculty

Other observations regarding faculty were more encouraging:

- Seventy-five percent express some level of knowledge about the revised CPA Exam. The first question in the survey sought to determine how well faculty understood the key components and objectives of the CPA Evolution. Responses were captured on a seven-point Likert scale and ranged from “extremely not knowledgeable” to extremely knowledgeable. The average response for this question was a 4.9 with roughly 75% of respondents expressing some level of knowledge about the new CPA Exam. That suggests we reached the right participants for our study and overall suggests faculty are doing what they can to learn about the new exam changes.
- Forty-nine percent acknowledged attending some form of training. The second question asked if participants attended any training sessions, webinars, or conferences on CPA Evolution. However, only 49% of participants responded yes to this question. This is a somewhat surprising finding considering responses to the first question suggested 75% were familiar with the changes with the new exam. This could also be explained by people doing their own research on the changes and not having felt the need to attend any formal training sessions; or simply due to budget and time constraints.
- The fifth question was open-ended and sought to determine whether faculty have made changes to their classes in response to CPA evolution. Only 55% of responses indicated they had made some sort of significant change to their course content. The most frequent response (17%) said the change was a greater emphasis on data analytics.

Of the 26% that responded that they did not make changes: 11% replied that they teach fundamental classes, 7% said they do not teach to the CPA Exam, while the remainder did not specify.¹

Impact on Students

Not surprisingly, faculty view the updated exam as more rigorous for students (i.e. increasing the amount of time and effort needed to prepare):

- The ninth question intended to explore faculty perceptions of how CPA Evolution will impact the amount of time and effort required to prepare for the exam. Responses were captured on a seven-point Likert scale and ranged from “extremely decrease” to “extremely increase”. The average response was 4.5, suggesting that faculty feel changes to the exam will make the exam more rigorous for students.
- The tenth question intended to examine faculty perceptions of how CPA Evolution will influence students' views on the time and effort required to pass the exam. Since faculty perceive the changes as making the exam more rigorous (see the previous observation), it's not surprising they also predict the same for students. The responses again were captured on a seven-point Likert scale and ranged from “extremely decrease” to “extremely increase”. The average response was 4.6 and suggests that faculty believe students perceive the CPA Evolution as increasing the time and effort needed to pass the exam.

Impact on University Accounting Programs

The survey results suggest a positive impact on university accounting programs. Question 11 was broken down into four parts and sought to examine how an increased focus on technology and analytics (as a result of CPA Evolution) would impact: (1) the number of students enrolling in accounting programs, (2) the quality of students, (3) the number of minority students, and (4) the number of students interested in pursuing a license to practice as a CPA. Responses again were captured on a seven-point Likert scale ranging from “extremely decrease” to “extremely increase”. The averages for each of the parts were: (1) 4.2, (2) 4.4, (3) 3.8, and (4) 4.2. While the averages indicate an overall neutral perception among faculty, a closer examination of response frequencies within each part reveals that faculty largely view CPA Evolution as having a positive impact on: student enrollment in accounting programs, student quality, and the number of students pursuing a CPA.

The new CPA Exam model is anticipated to increase student interest in accounting careers and CPA licensure for two reasons. First, by embedding technology and data analytics across all core sections and discipline options, the revised model aligns with the broader shift of the accounting profession toward STEM-related domains. This integration is likely to appeal to technically inclined students who may not have previously considered accounting but are drawn to careers that emphasize data-driven decision-making (Grady & Keshk, 2024). This trend is further supported by findings from Johnson, Lang, and Mauldin (2024), who report that the CPA Evolution model has heightened interest in CPA licensure among students outside traditional accounting pathways. Second, the revised exam structure introduces greater flexibility by allowing candidates to specialize in one of three disciplines: Business Analysis and Reporting, Information Systems and Control, or Tax Compliance and Planning (AICPA, 2022; Yeaton, 2020/2021). This tailored approach enables students to align the exam with their individual strengths and career interests. By allowing students to focus on areas they find more engaging - and avoid those they find less appealing - the new model may reduce barriers to entry and further encourage pursuit of CPA licensure and careers in public accounting.

For the question related to minority student enrollment, the findings from our analysis are particularly concerning. An examination of response frequencies indicates that faculty largely believe the CPA Evolution will have a negative impact. Specifically, the results suggest that the increased time and effort required for exam preparation may disproportionately burden minority students, potentially discouraging their enrollment. Why? Perhaps, as noted above, because the revised CPA Exam model emphasizes technology and data analytics across all core sections and discipline

¹ We did not exclude these faculty members from our analysis because they play a critical role in shaping students' early perceptions of the profession (and often serve as the first point of contact for potential CPA candidates); and their perspectives are therefore essential to understanding how the CPA Evolution model is perceived and implemented across the full spectrum of the accounting curriculum.

areas. While this shift is expected to enhance the appeal of accounting to technically oriented students, it may also deter students who lack sufficient access to technology or prior training in the application of technology/digital tools. This concern aligns with prior research indicating that minority students have historically been underrepresented in STEM disciplines (Whitcomb & Singh, 2021). However, recent data from the National Science Foundation (2023) offers a more optimistic perspective, showing that minority representation in STEM fields increased by 65% between 2011 and 2021 - suggesting meaningful progress in accessibility and inclusion, even as disparities persist.

Impact on the Accounting Profession

The faculty responses to this topic further validate the overall observation that the impact of CPA Evolution is positive. The faculty view is that CPA Evolution is a positive influence:

- Sixty-four percent believe CPA Evolution will have a positive influence on the profession. The third question sought to answer whether faculty felt CPA Evolution would have a positive or negative impact on the profession. Responses again were captured on a seven-point Likert scale and ranged from “extremely negative” to “extremely positive”. The average response was a 4.9. A closer analysis reveals that 13.5% of responses fell on the negative end of the scale, 22.1% were neutral, and 64.4% were on the positive end. These results suggest that faculty, overall, perceive the CPA Evolution initiative as having a positive impact on the profession.
- The fourth question was open-ended and explores why faculty felt CPA Evolution would have either a positive or negative impact on the profession. Among those who responded positively, 52% believed the changes would help the CPA Exam remain relevant to current issues in accounting. Additionally, 33% felt the changes increased the flexibility of the exam by letting students specialize. Another 12% felt the changes would make the exam easier and potentially increase the number of CPAs, while 7% valued the exam's new emphasis on technology and data analytics.

On the other hand, among those who responded negatively, 46% either did not provide an explanation or chose not to elaborate on their concerns. The next largest group, 26%, felt the changes associated with CPA Evolution were not well planned and failed to address the real problem. Fifteen percent believed the exam would become more difficult, while 12% expressed concerns that the changes would dilute the core knowledge traditionally covered in the exams.

How Can Practitioners Help?

Question eight was also open-ended and explored what additional resources the profession could offer to assist accounting programs in effectively preparing students for the revised exam. Responses varied widely, but a few key themes emerged. The most frequently suggested solution (22%) was for firms to provide guest lectures, training, and/or materials for educators/students. Similarly, the next most popular suggestion (14%) was for firms to collaborate with academics, potentially by hosting events or conferences aimed at better preparing students. Another notable suggestion made by 9% of respondents was for practitioners (particularly organizations like the AICPA and NASBA) to provide more comprehensive information. Examples of such information included statistics on the number of candidates selecting each new discipline section, detailed pass rates, as well as specifics on exam topics and practice questions.

Discussion and Conclusion

In spite of the CPA Exam being perceived as more rigorous, faculty perception is that CPA Evolution is an overall positive influence on student enrollment as well as the accounting profession. Particularly encouraging for universities (especially in a time of decreasing enrollment) is the perception that there may be a slight increase in the number of students, quality of students, and number of people interested in pursuing a CPA. These faculty member perceptions are consistent with Johnson, Lang, and Mauldin's (2024) findings that presenting information about the CPA Exam in the new, rather than the old format, leads to stronger student interest in pursuing the CPA certification, and marginally stronger interest in having careers in public accounting.

Unfortunately, in spite of the perceived overall positive influence of CPA Evolution, accounting faculty members believe that the increased rigor, including the added time and effort required for exam preparation, may

disproportionately burden financially vulnerable and disadvantaged minority students. These faculty members' expectations are consistent with prior research findings that, compared to non-minority students, minority students face greater challenges to pass the CPA Exam and pursue careers in public accounting (Self, Machuca, and Lockwood, 2014; Pelzer and Nkansa, 2022; and Espahbodi et. al. 2023). However, as discussed earlier, recent data from the National Science Foundation (2023) shows minority representation in STEM fields increased by 65% between 2011 and 2021 - suggesting meaningful progress in accessibility and inclusion. Consequently, the authors recommend that university officials, professional associations, and accounting firms continue to provide resources to ensure accessibility and inclusion (e.g., mentorship programs at the high school, university, and practitioner level; accounting tutor program; as well as funds for scholarships, including CPA Exam review courses).

Our survey results also suggest that approximately one-third of accounting faculty/departments do not feel fully prepared to adapt their courses to the updated CPA Exam. Furthermore, with the new licensing model effective as of 2024, these faculty members now face the dual challenge of catching up while balancing their existing responsibilities of teaching, research, and community service. Our findings identify an urgent need for this group to focus efforts on bridging the gap in readiness. This finding is particularly important because as recognized in Lysak and McFarland (2023), it is important for accounting faculty members to have a working knowledge of the new CPA Evolution model in order to be able to explain it to students and to advise students in selecting a specialized discipline.

To help bridge the readiness gap, we recommend that accounting departments prioritize developing new or strengthening existing connections between faculty and practitioners, including active engagement with professional organizations. Our results also support encouraging greater collaboration among faculty to revise course content, with an emphasis on integrating essential soft skills such as professional judgment, skepticism, ethical reasoning, and critical thinking. In addition, consistent with the survey results, we encourage accounting firms to support the educational mission by offering targeted guest lectures, instructional materials, and training sessions designed for both faculty and students. Moreover, collaborative events and conferences co-hosted by academia and the profession can play a critical role in preparing students for the restructured CPA Exam. The above suggestions are consistent with the calls by Myring and Bloom (2022), Kenney (2024), and Keshk and Lynch (2024) to increase collaboration between the accounting profession and accounting programs as a key requirement for the success of the new CPA Evolution model and mitigating the accounting student shortage problem.

We also suggest future research on the role of academia in the development of new CPA Exam formats to explore how faculty expertise and classroom experience contribute meaningfully to exam design - particularly in aligning assessments with both theoretical knowledge and practical competencies. Such research should also examine the mechanisms of information exchange between academia and the profession (e.g., AICPA, NASBA, CPA firms) to identify barriers to timely curriculum updates and to establish best practices for sustained collaboration. Strengthening these linkages may enhance the responsiveness of the education-to-licensure pipeline and ensure that graduates are well-prepared for the evolving demands of the profession. Moreover, as the revised CPA Exam places greater emphasis on higher-order thinking skills and domain-specific specialization, faculty involvement becomes increasingly critical. Through ongoing engagement with students, faculty are uniquely positioned to evaluate and develop strategies for teaching and assessing complex reasoning skills. Their involvement in exam design can help ensure alignment between academic instruction and exam expectations, particularly in guiding students toward informed specialization decisions early in their academic careers.

Finally, we recommend that future research investigate and identify the specific course content and curricula most effective for preparing students for the revised CPA Exam. For example, studying the course content/curricula of educational institutions with consistently high CPA Exam pass rates. By modeling best practices, institutions can ensure students receive the highest quality education while simultaneously boosting enrollment by offering academic tracks that align successfully with the updated licensure requirements.

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Appendix - Survey Questions

1. How well do you understand the key components and objectives of the CPA Evolution, including the rationale behind the changes?
2. Have you attended any training sessions, webinars, or conferences specifically focused on the CPA Evolution?
3. Do you perceive the CPA Evolution as having a positive or negative impact on the accounting profession?
4. Why do you think the CPA Evolution will have positive or negative impact on the accounting profession?
5. How do you think your course content and/or teaching methods need to be modified based on the CPA Evolution? Think of modifications that have already been implemented or still need to be implemented. If no or minimal modifications, please state why (e.g., limited class time, we don't teach to the CPA Exam, or the lack of detailed information available on the exam).
6. Do you feel adequately prepared to adapt your teaching approach to align with the CPA Evolution Exam? What resources and support do you need to be adequately prepared?
7. How ready do you think your accounting department is in adapting to the CPA Evolution Exam? And What still needs to be accomplished? Think of modifications at the curriculum / Department level.
8. How can the profession (accounting firms) support Accounting Departments to better prepare students for the new CPA Evolution?
9. In your opinion, how does the CPA Evolution impact the amount of time and effort needed to prepare for the exams?
10. How do you think the CPA Evolution will influence students' perceptions of the amount of time and effort needed to prepare for the exam?
11. In response to the CPA Evolution, accounting courses and programs are expected (to a greater extent) to emphasize technology and data analytics. In your opinion, how will these changes influence each of the following:
 - a. The overall number of students enrolling into accounting programs?
 - b. The quality of students enrolling into accounting programs?
 - c. The number of minority students enrolling into accounting programs?
 - d. The number of accounting students who are interested in pursuing the CPA?
12. What is your current role/rank within the academic institution? (e.g., tenured faculty member, tenure track faculty, adjunct professor, lecturer)?
13. How many years have you been teaching accounting at the university level?
14. What classes do you teach? (Financial, Managerial, Tax, Audit, Information Systems, Technology and/or Analytics, Other)
15. What type of institution do you work for?
16. Do you hold any professional certifications in accounting or related fields?
17. How many years of work experience do you have in accounting other than teaching?
18. What is your gender identity?
19. What is your age?

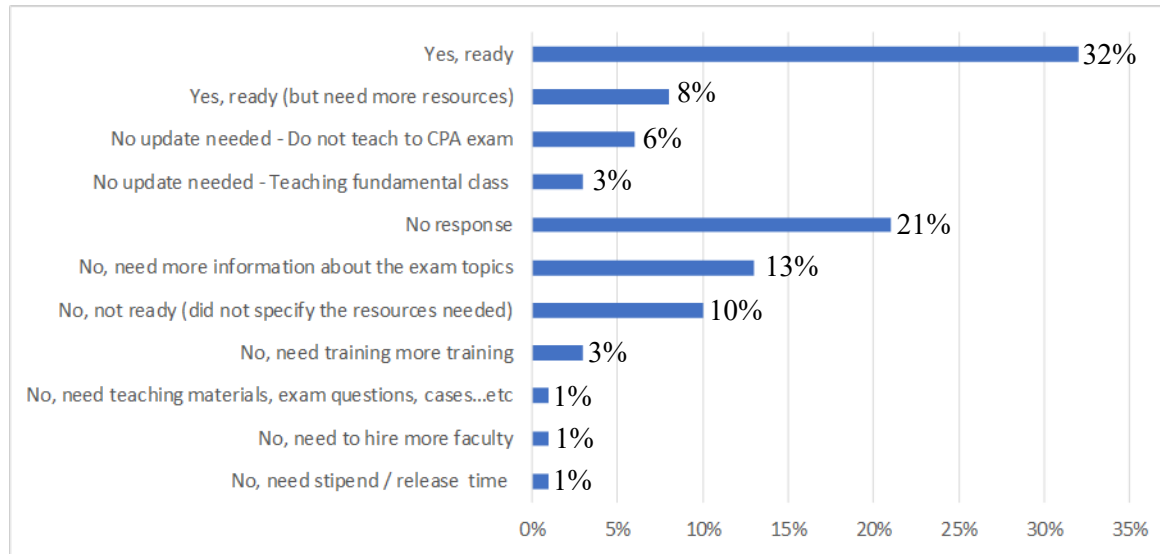
Table 1 - Participant Demographics

<u>Type of University</u>	<u>Frequency</u>	<u>Percentage</u>	<u>Age</u>	<u>Frequency</u>	<u>Percentage</u>
Public	132	88.6%	Under 35	15	10.1%
Private	16	10.7%	35-44	38	25.5%
Community College	1	0.7%	45-54	36	24.2%
	149	100.0%	55-64	33	22.1%
			65+	23	15.4%
<u>Title</u>			Missing	4	2.7%
Lecturer	23	15.4%		149	100.0%
Adjunct	7	4.7%	<u>Courses Taught*</u>		
Assistant Professor	43	28.9%	Financial	82	55.0%
Associate Professor	33	22.1%	Managerial and Cost	44	29.5%
Full Professor	31	20.8%	Audit	32	21.5%
Other	12	8.1%	Accounting Inform. Systems	22	14.8%
	149	100.0%	Tax	22	14.8%
<u>Licenses</u>			Data Analytics and Tech	14	9.4%
CPA	74	49.7%	Accounting Ethics	9	6.0%
CMA	5	3.4%	Financial Statement Analysis	4	2.7%
CFA	2	1.3%	Governmental/Not for Profit	4	2.7%
Other	40	26.8%	Accounting Research	3	2.0%
Missing	28	18.8%	Capstone	3	2.0%
	149	100.0%	Technology	3	2.0%
<u>Gender</u>			Accounting Communications	2	1.3%
Female	57	38.3%	Risk Management	2	1.3%
Male	89	59.7%	Accounting Theory	2	1.3%
Missing	3	2.0%	Fraud Examination	2	1.3%
	149	100.0%	Valuation	2	1.3%
<u>Work Experience</u>	<u>Mean (Std. Dev.)</u>		ESG Reporting	1	0.7%
Years Teaching:	14.5 (10.9)		Forensic	1	0.7%
Years in Accounting	10.6 (12.3)		Internal Auditing	1	0.7%
			Accounting Career Mgmt	1	0.7%
			Cybersecurity in Accounting	1	0.7%
			Research Methodology (Doct	1	0.7%
			Other (Nonaccounting)	5	3.4%
			N/A, No Response	6	4.0%

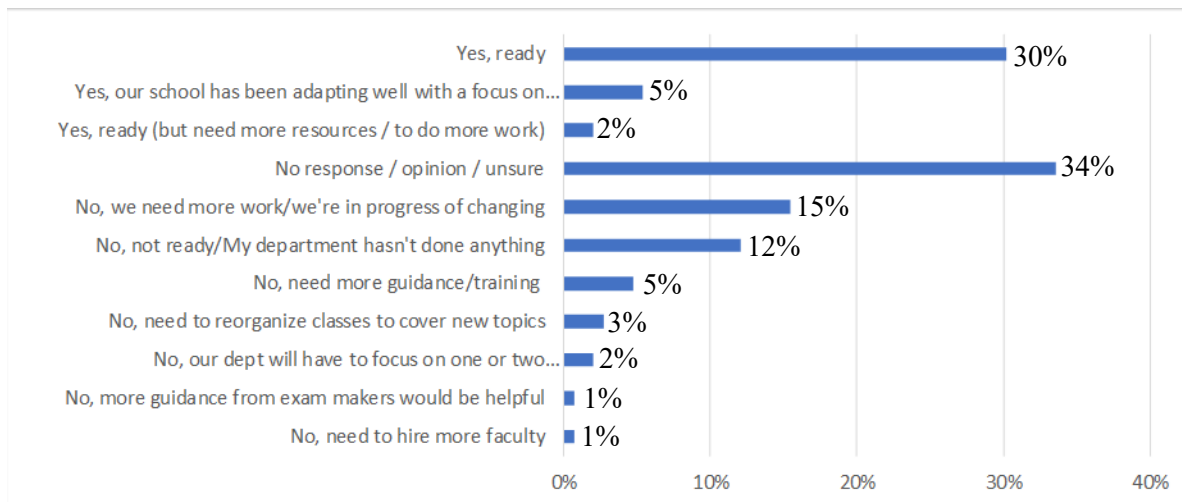
*Some participants teach multiple courses. Thus, the percentage in the "Courses Taught" section is out of the total number of participants (n=149). For example, 82 out of 149 teach financial accounting (55%).

Table 2 - Key Observations

Question 6 (Open Ended) - Do you feel adequately prepared to adapt your teaching approach to align with the CPA Evolution Exam? What resources and support do you need to be adequately prepared?



Question 7 (Open Ended) - How ready do you think your accounting department is in adapting to the CPA Evolution Exam? And What still needs to be accomplished? Think of modifications at the curriculum / Department level.



Note - For open ended questions, participants responses could result in them being counted in multiple categories.

Table 3 - Faculty Related Key Observations

Question 1* - How well do you understand the key components and objectives of the CPA Evolution, including the rationale behind the changes?

Descriptive Statistics (n = 148*)

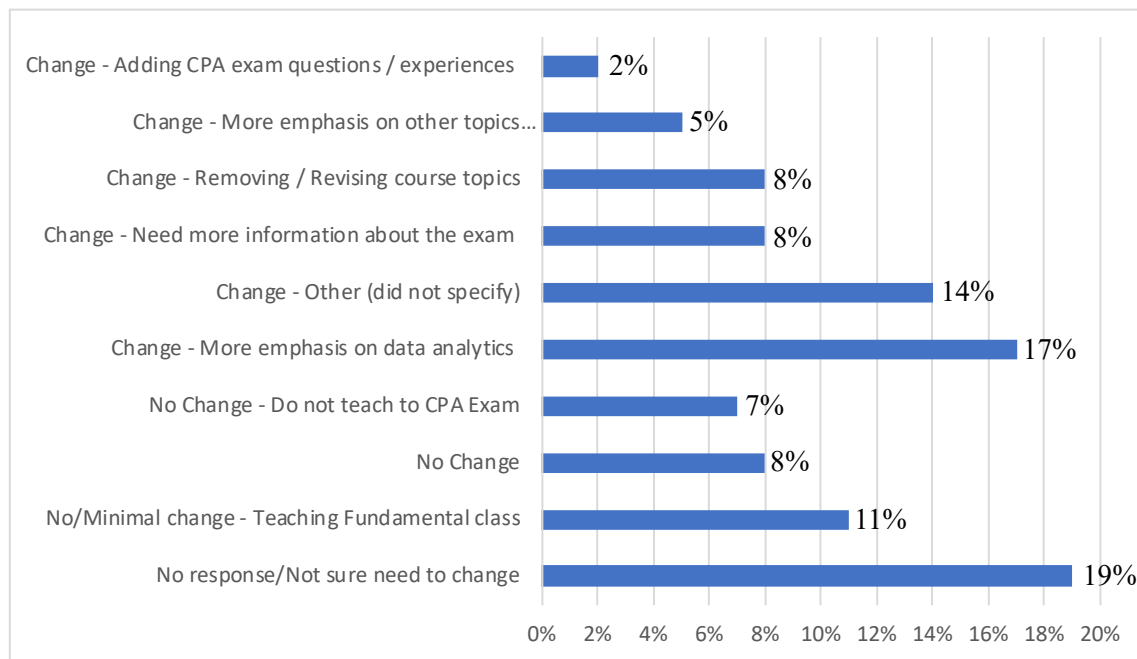
Min.	Max	Mean	Std. Dev.
1	7	4.9	1.7

<u>Scale</u>	<u>Frequency</u>	<u>Percent</u>
1	7	4.7%
2	15	10.1%
3	12	8.1%
4	2	1.3%
5	46	30.9%
6	50	33.6%
7	16	10.7%
Missing	1	0.7%
Total	149	100.0%

Question 2 - Have you attended any training sessions, webinars, or conferences specifically focused on the CPA Evolution?

	<u>Frequency</u>	<u>Percent</u>
Yes	49	49.0%
No	51	51.0%
	149	100.0%

Question 5 (Open Ended) - How do you think your course content and/or teaching methods need to be modified based on the CPA Evolution?



*Note - The answers in question 1 were captured on a 7-point likert scale with 1 representing feeling "extremely not knowledgeable" and 7 representing feeling "extremely knowledgeable".

Table 4 - The Impact on Students and the University

The Impact on Students

Question 9 - In your opinion, how does the CPA Evolution impact the amount of time and effort needed to prepare for the exams?

<u>Descriptive Statistics (n = 145*)</u>			
Min.	Max.	Mean	Std. Dev.
1	7	4.5	1.1

Question 10 - How do you think the CPA Evolution will influence students' perceptions of the amount of time and effort needed to prepare for the exam?

<u>Descriptive Statistics (n = 145*)</u>			
Min.	Max.	Mean	Std. Dev.
1	7	4.6	1.3

The Impact on the University

Question 11 - In response to the CPA Evolution, accounting courses and programs are expected (to a greater extent) to emphasize technology and data analytics. In your opinion, how will these changes influence each of the following:

	<u>Descriptive Statistics (n = 148*)</u>			
	Min.	Max.	Mean	Std. Dev.
a. The overall number of students enrolling into accounting programs?	1	7	4.2	1.1
b. The quality of students enrolling into accounting programs?	2	7	4.4	0.9
c. The number of minority students enrolling into accounting programs?	1	7	3.80	0.9
d. The number of accounting students who are interested in pursuing the CPA?	1	7	4.2	1.1

Note 1 - The answers above were captured on a 7-point likert scale with 1 representing "extremely decrease" and 7 representing "extremely increase".

*Note 2 - n = 149, except with questions where participants failed to answer certain questions.

Table 5 - The Impact on the Accounting Profession

Question 3* - Do you perceive the CPA Evolution as having a positive or negative impact on the accounting profession?				<u>Scale</u>	<u>Frequency</u>	<u>Percent</u>
				1	5	3.4%
				2	4	2.7%
				3	11	7.4%
				4	33	22.1%
				5	47	31.5%
				6	44	29.5%
				7	5	3.4%
				Total	149	100.0%

<u>Descriptive Statistics (n = 149)</u>			
<u>Min.</u>	<u>Ma</u>	<u>Mean</u>	<u>Std. Dev.</u>
1	7	4.9	1.30

Question 4 (Open Ended)* - Why do you think the CPA Evolution will have positive or negative impact on the accounting profession?

A) Reasons given by people who thought it was positive (n = 97):

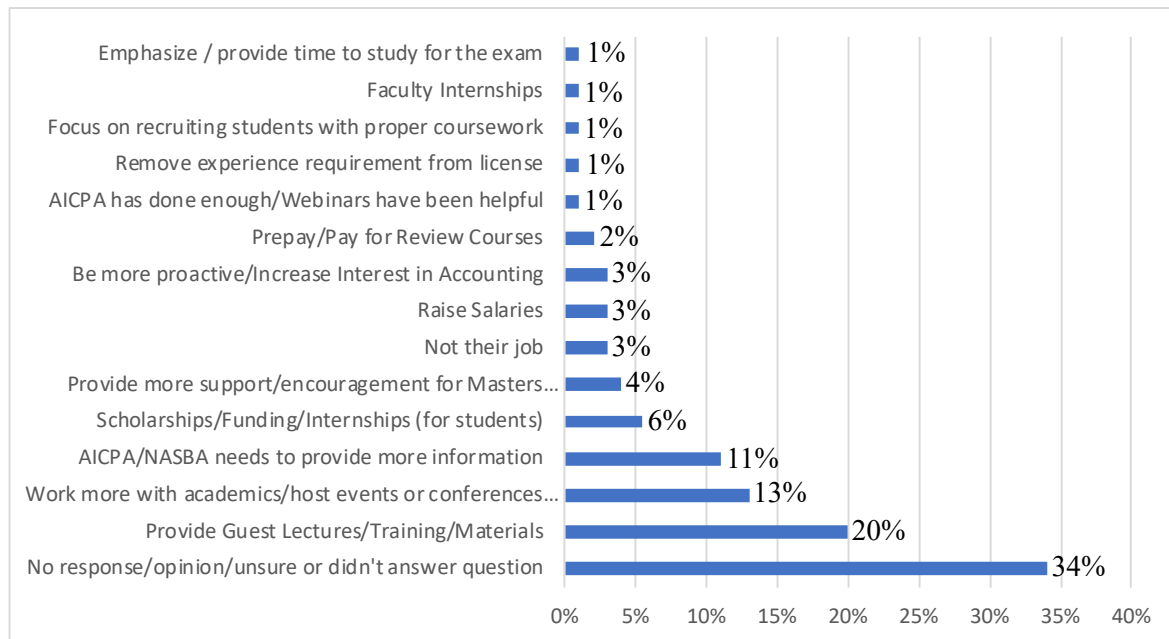
- 52% Modernize Exam / Make more relevant to current problems and issues
- 33% Increases flexibility / Allows students to specialize and develop expertise
- 11% Makes the exams easier / Helps increase number of CPAs
- 7% Great for the exam to emphasize new Technology/Data Analytics

B) Reasons given by people who thought it was negative (n = 68):

- 46% No Response/ Not Sure / No opinion
- 26% Not well-planned / Does not address real problems
- 15% Makes the exams more difficult / May decrease no. of CPAs
- 12% Waters down the core knowledge covered in exams
- 1% Revising the exam was unnecessary
- 1% The new exam places less emphasis on non public accounting related classes

*Note 1 - The answers above in question 3 were captured on a 7-point likert scale with 1 representing "extremely negative" and 7 representing "extremely positive".

*Note 2 - For open ended questions, participant responses could result in them being in multiple categories.

Table 6 - How Can the Profession Help?**Question 8 (Open Ended) - How can the profession (accounting firms) support Accounting Departments to better prepare students for the new CPA Evolution?**

Note - For open ended questions, participant responses could result in them being counted in multiple categories.