

IMPLEMENTATION GUIDELINES

Implementation of Changes in Educational Requirements to sit for the CPA exam in the State of Illinois

Effective on July 1, 2013

November 4, 2011

(Please note: This document address only some of the new requirements)

Each school must demonstrate how it has implemented the following new requirements either as stand-alone (discrete) courses or integrated within one or more courses.

- **Research and Analysis in Accounting** **2 SCH**
- **Business Communication** **2 SCH**
- **Business Ethics** **3 SCH**

(SCH = Semester Credit Hour)

1. Research and Analysis in Accounting (RAA)

a. Stand-alone course

- i. A maximum of 2 SCH of RAA will be counted toward the 30 SCH in accounting. Additional SCH of RAA may count toward the 150.
- ii. The course must be an accounting course.
- iii. The course may be across the various accounting disciplines (financial accounting, auditing, taxation, and management accounting).
- iv. Documentation of course content must be maintained in the form of course descriptions, syllabi (course objectives and learning goals), class assignments, readings, etc or other evidence as approved by the Board.
- v. An example of courses at Augustana College that might be considered to meet the RAA requirement:

ACCT-441 Accounting Research (1 Credits) 441 Accounting Research (1)
Introduction to research methods used in the profession and the FARS research software used on the CPA exam. Prerequisite: 322.

ACCT-443 Research Seminar (1 Credits) 443 Research Seminar (1) Students complete a research project culminating in a formal paper on a current accounting issue.

b. Integrated

- i. A maximum of 2 SCH of RAA may be counted toward the 30 SCH in accounting. Additional SCH of RAA may count toward the 150 hour requirement.
- ii. When integrated these 2 SCH may NOT be double counted.
- iii. The institution must maintain documentation of RAA integration into each of the various accounting courses:
 1. Provide a list of courses into which RAA is integrated and indicate what proportion of the course is dedicated to RAA.
 2. Maintain documentation of integration in the form of course description, syllabi (course objectives and learning goals), class assignments, readings, etc or other evidence of integration as approved by the Board.
- iv. Examples of Integration of RAA by DePaul University that might be considered to meet the RAA integration requirement:

ACC 350 INFORMATION FOR DECISION MAKING

Information for Decision-Making emphasizes the linkage between the value chain, business processes, and activities with an overall theme of business process management. As an information professional, the accountant needs to be well-versed in decision-making tools and interfacing with the information system. Students should leave this course with an understanding of database structure and the skills to correctly design and query such systems to obtain relevant information. This course should provide an integration of issues across financial accounting, management accounting, taxation, audit and information systems. PREREQUISITE(S): ACC 303, ACC 305/309 and either ACC 360 or ACC 380

2. Business Communication (BC)

a. Stand-alone course

- i. A maximum of 2 SCH may count toward the 24 SCH in business. Additional SCH of BC may count toward the 150 hour requirement.
- ii. The course may be in any department as long as the title contains the words "*business communication*". If the title does not contain these words, it will be the responsibility of the institution to demonstrate that the course is in fact a business communication course.
- iii. Maintain documentation of course content in the form of course description, syllabi (course objectives and learning goals), class assignments, readings, etc or other evidence of course content as approved by the Board.
- iv. Two examples of Business Communication courses at Illinois Institutions that might be considered to meet the BC requirement:

ACC 346. BUSINESS COMMUNICATION (3). Development of effective communication skills for a variety of business situations. Application of basic communication skills and human relations principles to planning, organizing, and producing letters, reports, and oral presentations. PRQ: COMS 100, ENGL 104 or ENGL 105, and junior standing (all majors). CRQ: UBUS 310 (business majors only). (Northern Illinois University)

BUS 111 - Principles of Business Communications (3 credits) - The role and practice of communication in business and professional organizations is examined with emphasis upon audience analysis, persuasive and negative messages, small group communication, cultural and global awareness, effective letter writing and the job search process. *Prerequisite* - ENG 101 or equivalent.(Joliet Junior College)

b. Integrated

- i. A maximum of 2 SCH may count toward the 24 SCH in business. Additional SCH of BC may count toward the 150 hour requirement.
- ii. When integrated these 2 SCH may NOT be double counted.
- iii. The institution must document the integration of BC into each of the various courses:
 1. BC may be integrated into either business or accounting courses or the school must provide documentation satisfactory to the Board that integration of BC into non-accounting/business courses is sufficient and equivalent to integration into accounting and/or business courses.
 2. Provide a list of courses into which BC is integrated and indicate what proportion of each course is dedicated to BC.
 3. Maintain documentation of integration in the form of course description, syllabi (course objectives and learning goals), class assignments, readings, etc or other evidence of integration as approved by the Board.
- iv. An example of integration of BC into courses at Illinois Schools which might be considered to meet the BC requirement:

“The required undergraduate accountancy major curriculum (20 SCH not including 6 SCH of introductory accounting) has business communications integrated into it. These objectives utilize communications teams and supplemental lab sections, and require students to engage in a substantial number of writing assignments of varying communications objectives and a substantial number of oral communications assignments. In addition, four MAS graduate courses also have integrated business communication objectives. Integrated within the 20 SCH of the undergraduate accountancy curriculum, at least 2 SCH relate to business communication. “

3. Business Ethics (BE):

a. Stand-alone course

- i. A maximum of 3 SCH in BE may count toward the 24 SCH in business. Additional SCH of BE may count toward the 150 hour requirement.
- ii. The course may be in any department as long as the course title contains the words "*Business Ethics*". If the course title does not contain these words, it will be the responsibility of the institution to demonstrate that the course is in fact a business ethics course.
- iii. Maintain course documentation in the form of course description, syllabi (course objectives and learning goals), class assignments, readings, etc or other evidence of course content as approved by the Board.
- iv. Examples of business ethics courses at Illinois Institutions which might be considered to meet the BE requirement:

PHIL 337 – BUSINESS ETHICS - Consideration of moral problems arising in business as well as both issues of individual conduct and public policy. May include discussion of general problems in ethical theory which have a direct bearing on these specific issues (Northern Illinois University)

MGT 248 BUSINESS ETHICS (PHIL INQUIRY)(CROSS-LISTD W/PHL 248) - An examination of various ethical and moral issues arising in contemporary business and its activities which affect our society and the world. (DePaul University)

b. Integrated

- i. A maximum of 3 SCH in BE may count toward the 24 SCH in business. Additional SCH of BE may count toward the 150 hour requirement.
- ii. When integrated these 3 SCH may NOT be double counted.
- iii. The institution must document the integration of BE into each of the various courses:
 1. BE may be integrated into business or accounting courses or the school must provide documentation satisfactory to the Board that integration of BE into non-accounting/business courses is sufficient and equivalent to integration into accounting and/or business courses.
 2. Provide a list of courses into which BE is integrated and indicate what proportion of each course is dedicated to BE.
 3. Maintain documentation of integration in the form of course descriptions, syllabi (course objectives and learning goals), class assignments, readings, etc or other evidence of integration as approved by the Board.

- iv. An example of business ethics integration in courses at Illinois institutions which might be considered to meet the BE requirement:

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The required undergraduate accountancy core courses have business ethics (more generally, professional responsibility) objectives integrated into it. These objectives include a number of case-based and project-based assignments focused on a variety of business ethics/professional responsibility attributes. In addition, four MAS graduate courses also have integrated business ethics objectives. Integrated within the 20 SCH of undergraduate accountancy major curriculum, at least 2 SCH relate to business ethics and professional responsibility.

Implementation Notes:

1. The Board will not initially require each school to provide **detailed documentation** of the integration information submitted. However, schools must maintain documentation of integration. If questions arise or information provided is inadequate, the Board may request additional documentation from a school.
2. The Board staff has developed an **integration template** that each school is required to complete indicating if BC, BE, and RAA are standalone courses or are integrated and if they are integrated, the extent of coverage in required courses.
3. Each school will be required to resubmit the integration template every **three years** and is expected to inform the Board of any integration changes that might affect the school status as soon as the changes occur. Each department chair will also be required to send a letter to the Board indicating that all full-time and part-time faculty are fully aware of the integration component in their individual classes and that the integration template represents what they do in their classes.
4. If a student transfers credits from one or more other schools into a degree program, it will be expected that the students meets all the requirements of the degree granting institution including the requirements of RAA, BC, and BE.
5. Candidates who apply and are eligible to sit for the CPA examination in Illinois before July 1, 2013 will be required to meet the current requirements, whether or not they sit for the exam before July 1, 2013. Students who meet the “provisional” requirements and apply before July 1, 2013 will also come under the current requirements to sit for the exam. The new rules will pertain to all candidates who apply on or after July 1, 2013 without exception.
6. Conversions:
 - 1 Graduate SCH = 1.6 Undergraduate SCH
 - 3 SCH = 45 Classroom contact hours
 - .25 SCH = 3.75 Classroom contact hours

(no SCH smaller than .25 and no contact hours smaller than 3.75 will be accepted)

Examples:

1. **Example of SCH equivalency** – most full semester courses are 3 SCHs and require 3 hours of classes per week for 15 weeks (one semester). If an institution integrates one of the above subject matters into a class the institution will have to demonstrate that an appropriate portion of the class was dedicated to the material being integrated. (NOTE: credit will be allocated in .25 SCH increments)

- a. **Example:** Business ethics integrated into the following four classes

Courses		Ethics Integration	Balance in Acct Classes
Acct 480 - Auditing	3 SCH – 45 class hours	15 hours of ethics	2 SCH - 30 class hours
Acct 471 – Taxation	3 SCH – 45 class hours	7.5 hours of ethics	2.5 SCH – 37.5 class Hrs
Acct 450 – Advanced Acct	3 SCH – 45 class hours	15 hours of ethics	2 SCH – 30 class hours
MGT 490 – Mgt Policy	3 SCH – 45 class hours	7.5 hours of ethics	2.5 SCH – 37.5 class Hrs
Total	12 SCH – 180 class hours	45 hours of ethics i.e. <u>3 SCH of business credit</u>	9 SCH of Accounting – 135 class hours

NOTE: the 3 SCH of business ethics count towards the 24 SCH of business and thus reduce the SCH in accounting

NOTE: All SCH must be in units of $\frac{1}{4}$ (.25)

1. SCH credit of .25 will be rounded down
2. SCH credit of .50 will stand
3. SCH credit of .75 will be rounded up

2. **Another Example:** Ethics, Business Communication, and Research & Analysis integrated throughout the accounting curriculum

Required Accounting Courses	Credit Hours	Business Ethics	Business Com	Res & Anal in Acct	Hours integrated	Balance in Acct classes
Acc 201 – Principles of Financial Accounting	3 SCH 45 hours					3 SCH 45 hours
Acc 202 – Principles of MGT Accounting	3 SCH 45 hours					3 SCH 45 hours
Acc 341 – Intermediate Accounting I	3 SCH 45 hours					3 SCH 45 hours
Acc 342 – Intermediate Accounting II	3 SCH 45 hours	7.5 hours			7.5 hours	2.5 SCH 37.5 hours
Acc 351 – Management Accounting	3 SCH 45 hours	7.5 hours	7.5 hours	7.5 hours	22.5 hours	1.5 SCH 22.5 hours
Acc 360 – Accounting Information Systems	3 SCH 45 hours	7.5 hours	7.5 hours	5.0 hours	20 hours	1.5 SCH 25 hours
Acct 471 – Principles of Taxation	3 SCH 45 hours	7.5 hours		7.5 hours	15 hours	2 SCH 30 hours
Acct 441 – Advanced Accounting I	3 SCH 45 hours	7.5 hours	7.5 hours	7.5 hours	22.5 hours	1.5 SCH 22.5 hours
Acct 480 – Auditing	3 SCH 45 hours	7.5 hours	7.5 hours	7.5 hours	22.5 hours	1.5 SCH 22.5 hours
Acct Elective	3 SCH 45 hours	-	-	-	-	3 SCH 45 hours
Total	30 SCH 450 hours	3 SCH 45 hours	2 SCH 30 hours	2 SCH 35 hours (rounded from 2.33 to 2.00)	7.00 SCH 110 hours (rounded from 7.33 to 7.00)	23 SCH 340 hours (rounded from 22.66 to 23.00)
Add the 2 SCH of Accounting Research and Analysis (RAA)				= 2 SCH of RAA		+2 SCH of RAA
	30 SCH of Accounting	3 SCH of Business	2 SCH of Business			25 SCH of Accounting

1. All SCH must be in units of $\frac{1}{4}$ (.25)
2. SCH credit of .25 will be rounded down
3. SCH credit of .50 will stand
4. 1SCH credit of .75 will be rounded up

Illinois Board of Examiners – Integration Template

Integration of Business Ethics, Business Communication, and Research and Analysis in Accounting

Required Courses	Credit Hours	Business Ethics 3 SCH	Business Com 2 SCH	Res & Anal in Acct 2 SCH	Total SCH/Hours integrated into Acct	Balance SCH/Hours in Acct classes	Integrated SCH/Hours in Business classes	Date of Integration and Notes
		Integrated	Integrated	Integrated				
Acc 201 – Principles of Financial Accounting	3 SCH 45 hours					3 SCH 45 hours		
Acc 202 – Principles of MGT Accounting	3 SCH 45 hours					3 SCH 45 hours		
Acc 341 & 342 – Interm. Accounting I and II	6 SCH 90 hours	.5 SCH 7.5 hours			.5 SCH 7.5 hours	5.5 SCH 82.5 hours		
Acc 351 – Management Accounting	3 SCH 45 hours	.5 SCH 7.5 hours		.5 SCH 7.5 hours	1 SCH 15 hours	2 SCH 30 hours		
Acc 360 – Accounting Information Systems	3 SCH 45 hours	.5 SCH 7.5 hours		.25 SCH 3.75 hours	.75 SCH 11.25 hours	2.25 SCH 33.75 hours		
Acc 471 – Principles of Taxation	3 SCH 45 hours	.5 SCH 7.5 hours		.5 SCH 7.5 hours	1 SCH 15 hours	2 SCH 30 hours		
Acc 441 – Advanced Accounting I	3 SCH 45 hours	.5 SCH 7.5 hours		.5 SCH 7.5 hours	1 SCH 15 hours	2 SCH 30 hours		
Acc 480 – Auditing	3 SCH 45 hours	.5 SCH 7.5 hours		.5 SCH 7.5 hours	1 SCH 15 hours	2 SCH 30 hours		
Acc Elective	3 SCH 45 hours	–				3 SCH 45 hours		
	__ SCH __ hours					__ SCH __ hours		
Total Accounting*	30 SCH 450 hours	3 SCH 45 hours BE		2.00 SCH (rounded from 2.25) 34 hours RAA	5.00 SCH (rounded from 5.25) 79 hours	25.00 SCH (rounded from 24.75) 371 hours		
MGT 300 MGT Theory and Communication	3 SCH 45 hours		2 SCH 30 hours					Date of integration: Fall 2011
		= 3 SCH of Business	= 2 SCH of Business				5 SCH of Business	3 SCH of BE reduce accounting hours and increase business hours. 2 SCH of BC meet requirement and do not reduce total business hours (more than 2 SCH will reduce total business SCH)
Add back to accounting SCH the 2.00 SCH of RAA				= 2 SCH of Accounting		+ 2 SCH of RAA		2 SCH of RAA meet requirement and do not reduce total accounting SCH (more than 2 SCH will reduce total acct SCH)
Acct SCH balance						= 27 SCH of Accounting		An additional 3 SCH of accounting will be required to compensate for BE integrated into accounting courses

*All SCH must be in units of no less than ¼ (.25): SCH credit of .25 will be rounded down; SCH credit of .50 will stand; SCH credit of .75 will be rounded up

