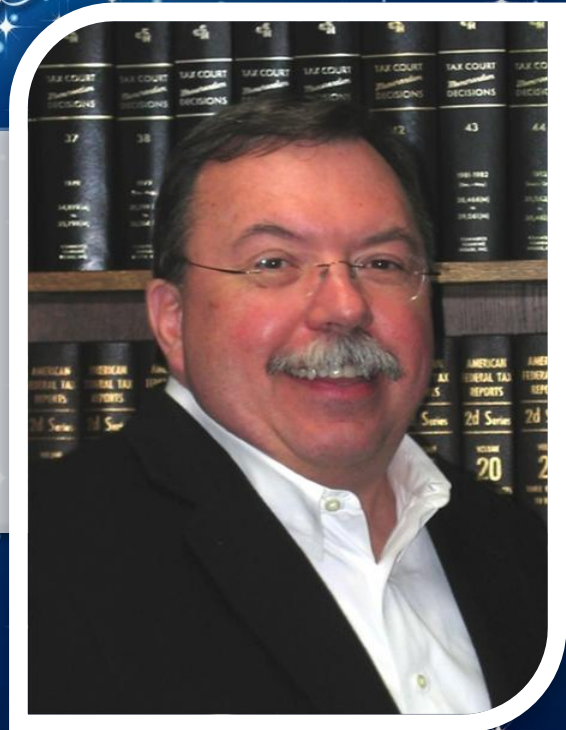




**BOARD OF EXAMINERS
REPORT**
DOUGLAS WARREN, CPA
BOE CHAIR



104TH ANNUAL MEETING
October 23-26, 2011
Nashville, TN



Examination Update: Board of Examiners' Report

**NASBA Annual Meeting
October 2011
Nashville, TN
Douglas E. Warren, CPA**



The Uniform
CPA Examination®

Our Topics Today

- **11Q4 Faster Score Reporting**
- **International CPA Exam Administration Update**
- **BOE Meeting Highlights**

Early Score Reporting: Addressing Candidate Concerns

- **A faster and more predictable score reporting schedule has been a leading candidate concern.**
- **With Early Score Reporting (starting in 11Q4):**
 - Candidates can expect their scores on target dates based upon their testing dates.
 - Scores will be reported with more frequency.
 - Predictable score releases will relieve stress on candidates and state boards.

Note: Some scores for the BEC section may be released in a subsequent release due to the written communication tasks.

Early Score Reporting Timeline (Domestic)

Day in Testing Window*	Target Release Date Timeline	Target 11Q4 Score Release
Day 1 – 20 (10/1 – 10/20)	10 business days following day 20 of the testing window	November 3
Day 21 – 45 (10/21 – 11/15)	5 business days following day 45 of the testing window	November 21
Day 46 – Close of Window (11/15 – 11/30)	5 business days following the close of the testing window	December 7
After Close of Window	5 business days after receiving all scoring data for the testing window	TBA

* Records received by AICPA

Note: Some scores for the BEC section may be released in a subsequent release due to the written communication tasks.

Early Score Reporting Timeline (International)

Day in Testing Window*	Target Release Date Timeline	Target 11Q4 Score Release
Day 1 – 14** (11/1 – 11/14)	5 business days following day 14** of the testing window	November 21-22
Day 15** – Close of Window (11/15 – 11/30)	5 business days following the close of the testing window	December 7-8
After Close of Window	5 business days after receiving all scoring data for the testing window	TBA

* Records received by AICPA

** The international cutoff date for the first score release is determined by 45th day of the domestic testing program and will vary between day 14 and 15 depending on the number of days in the preceding month.

Note: Some scores for the BEC section may be released in a subsequent release due to the written communication tasks.

International CPA Exam Highlights

- **Successful Launch on August 1, 2011**
- **The international administration of the CPA Exam is meeting projected volumes**
- **Same scoring timeline as the domestic program starting in 11Q4**
- **Expansion of the International Exam Administration program is being explored**

August 2011 Launch

■ No Major Issues

- Minor Issue with ID Policy - resolved in 2 days
- Lebanon experiences some delay with biometrics

■ What we are hearing from candidates:

- Essentially all positive
- More locations!!

International CPA Exam Volume

■ As of September 21, 2011:

	Sections Purchased To Date
Japan	1748
Middle East	1161
Total	2909*

*Accounts for 27.36% of the combined annual volume budget of 10,631 sections (21% in Japan and 49.7% in the Middle East)

2011 International CPA Exam Fee Structure

Component	Total
Domestic Fee*	\$113.00
International Fee	\$387.00
Total International Fee	\$500.00

* The Domestic Fee is a support allocation into the domestic program for shared services and development costs

BOE Meeting Highlights

September 31 – October 1 BOE Meeting

■ The Focus: Strategy

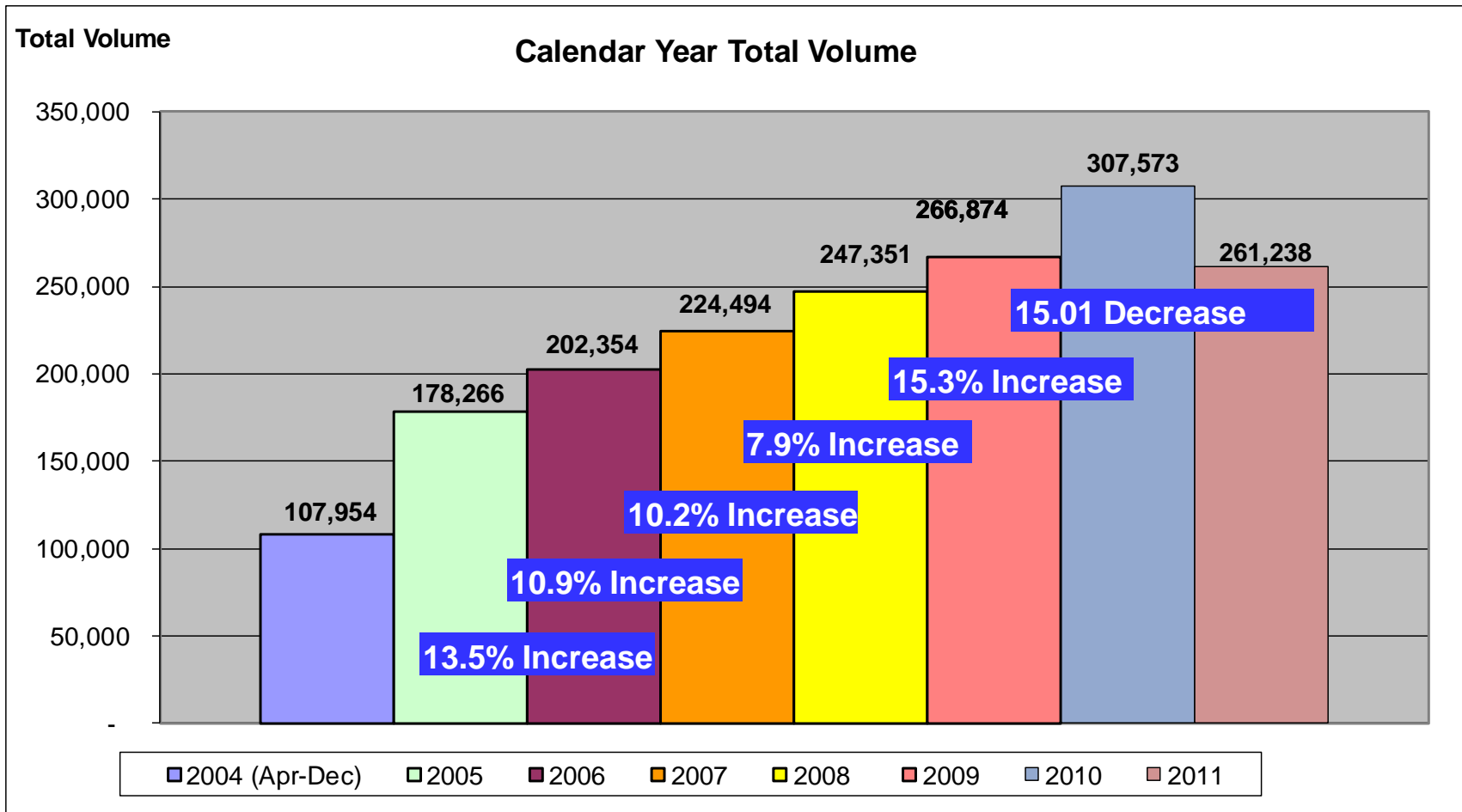
■ Highlights

- Examination Team Finances
- Item Development and Production Reengineering Process
- Preliminary SWAT Analysis of Examination Team
- Research – The Next Generation of Item Types
- CPA Horizons Project

Examination Highlights

- **Service to candidates remains a priority**
- **Candidate satisfaction at an all-time high**
 - 98.4% overall satisfaction with Exam administration
- **NASBA, AICPA, and Prometric collaboration is at an all-time high**
 - Successful International Administration of the Exam
 - Smooth transition to CBT-e
- **Exam volumes remain strong**
 - Record volumes in 10Q4 as candidates rushed to take the Exam prior to CBT-e
 - 260,000 sections are projected for 2011

Annual Volume Growth



Estimated Calendar Year 2011 - based on current scheduling activity through September 13, 2011.

CPA Exam Passing Rates (%)

	2004	2005	2006	2007	2008	2009	2010	2011
	Apr- Dec	Jan- Dec	Jan- Dec	Jan- Dec	Jan- Dec	Jan- Dec	Jan- Dec	Jan- Sept
AUD	42.54	43.62	44.01	47.57	49.10	49.79	47.80	46.57
BEC	44.61	44.16	43.81	46.56	47.49	48.34	47.29	47.85
FAR	42.09	43.11	44.54	48.15	49.21	48.45	47.81	46.20
REG	40.67	40.61	42.33	47.03	48.74	49.81	50.66	44.16

Volume & Fee Assumptions FY12-16

Year	FY12	FY13	FY14	FY15	FY16
Volume	250,000	255,000	255,000	255,000	255,000
Fee	\$95	\$91.88*	\$90	\$90	\$90

Note: \$91.88 (FY13) is a blended rate based upon a fee reduction effective on January 1, 2013

Thank you!

- It has been a pleasure to speak to you today.