



Washington State Board of Accountancy

Policy Number: 1998-1
Title: Education*
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Approved: 
Sharron J. O'Donnell, CPA, Chair

*This policy rescinds and supersedes any previous Board policy.

Purpose:

The purpose of this policy is to provide and communicate the Board's guidelines on applying the education rules included in Board rule, WAC 4-25-710. Individuals who passed the exam in another state and are applying for licensure in Washington via transfer of credit must meet these same education requirements.

I. Education Requirements - WAC 4-25-710:

To be eligible to take the CPA examination current applicants must have at least 150 semester hour credits of college education, a baccalaureate degree or higher, and a minimum number of qualifying credit hours in accounting and business administration (concentration in accounting).

A. A concentration in accounting means:

1. 24 semester hour credits (36 quarter hours) in accounting subjects, of which at least 15 semester hours are at the upper level or graduate level. (For purposes of meeting this subsection, individuals will be given 1.5 credits for each 1.0 graduate level credit of accounting courses taken).

The following are considered to be accounting courses (provided the course is awarded academic credit from an accredited US college or university):

- Elementary, intermediate and advanced accounting courses,
- Auditing courses,
- Accounting information systems (however, courses targeted to a specific accounting software are not accepted as accounting courses),
- Cost and managerial accounting,
- Tax courses, accounting law (this does not include business law),

- Hybrid or special project courses offered by accounting departments, and/or
- CPA review courses.

An upper level course is defined as a course that frequently carries completion of a lower level course(s) as a prerequisite. The Board considers the following courses to be upper level courses:

- Intermediate Accounting
- Advanced Accounting
- Managerial Accounting
- Cost Accounting
- Governmental Accounting
- Auditing
- Tax Courses
- Accounting Information Systems
- Not-for-Profit Accounting
- Accounting Theory
- Forensic Accounting
- Fraud Examination
- Financial Statement Analysis
- Any accounting course taken as part of a Master's Program (See I.A.1. above.)

For the purposes of qualifying as a course meeting the requirements of "24 semester hour credits (36 quarter hours) in accounting subjects," the following are **not** considered to be accounting courses:

- Payroll accounting and/or bookkeeping,
- Lotus 123, Excel, Quicken, QuickBooks, Access, or other software training,
- Finance, economics, budgeting, statistics, real estate, investments, money and banking, securities and other courses not primarily concerned with accounting principles, tax, or attestation, and/or
- Business law (even if offered by the accounting department) and/or
- Credits awarded for 'life experience' or similar activities retroactively evaluated and recognized by colleges or universities.

2. 24 semester hour credits (36 quarter hours) in business administration subjects at the undergraduate or graduate level.

For the purposes of qualifying as a course meeting the requirements of "24 semester hour credits (36 quarter hours) in business administration subjects," the following are considered business administration courses:

- In general, courses offered by a school of business administration,
- Economics, finance, budgeting, statistics, investments, money and banking, business law courses, and accounting credits in **excess** of the required 24 semester hour concentration,

- Management courses,
- Law courses if focused on business transactions or regulation of business,
- No more than six undergraduate semester hour information technology credits, such as management information systems, computer information systems, programming, Lotus 123, Excel, Quicken, QuickBooks, Access, or other software training; and/or
- No more than six undergraduate semester hour statistics course credits.

For the purposes of qualifying as a course meeting the requirements of "24 semester hour credits (36 quarter hours) in business administration subjects," the following are **not** considered to be business administration courses:

- Real estate courses,
- Payroll accounting and bookkeeping courses, and/or
- Business math or other math courses (except statistics subject to limit noted above).

B. A baccalaureate degree or higher.

1. An applicant's college degree must be awarded by an accredited US college or university. Exceptions to this requirement are noted in B.2. A baccalaureate degree is required.
2. Education Obtained from a Foreign Institution or Non-accredited US College or University
 - a. Education obtained outside of the US: With the exception of c. below, prior to being eligible to take the examination, applicants who have completed the education requirements entirely, or in part, outside the US must have their credentials evaluated by a Board approved foreign credential evaluation service. This evaluation must be submitted with the examination application.
 - b. Education obtained at a Non-accredited US College or University: If you graduated from a four-year degree-granting institution that was not accredited at the time your degree was received or at the time your application was filed, you will be deemed to be a graduate of a four-year accredited college or university if a credentials evaluation service approved by the board certifies that your degree is equivalent to a degree from an accredited college or university.
 - c. Exceptions: If an applicant's degree was awarded by an accredited college, but the applicant has also obtained credits for a course(s) taken at a foreign institution or a nonaccredited institution (either before or after graduation) in order to be allowable the credits taken at the foreign institution or nonaccredited institution must be either:
 - Included for academic credit on the applicant's official transcript from the

- applicant's accredited degree granting institution, or
- The accredited institution that granted the applicant's degree must certify (certification must be in the form of an original letter from the degree granting institution) to the Board that it will (or would have) accept(ed) the courses from the nonaccredited institution as academic credit towards the degree, and
- In order to be allowable as accounting concentration credits, the title of the course must be identified on either the official transcript or the institution's certification.

C. At least 150 semester-hour credits of college education.

For the purpose of meeting the 150 semester-hour credits requirement, the Board accepts credits awarded for the following provided the course is awarded academic credit from an accredited US college or university:

- Internships,
- Correspondence courses,
- 'Life experience' or 'experiential learning' courses toward the general degree requirement or 150 hour requirement only (i.e., not allowed as credit towards the accounting concentration),
- Credit for successfully challenging a college course,
- Credits earned on the pass/fail system, and/or
- Credits earned while participating in a 'running start' program.

The Board does **not** accept:

- Courses taken on an audited course basis (i.e., not for academic credit),
- Continuing education courses (i.e., courses where college credit is not granted),
- Duplicate courses (i.e., credit is allowed for only one course), and/or
- Coursework deemed to be remedial or below college level by the university.

Prior to being approved to take the CPA exam, applicants are required to provide documentation demonstrating they meet the Board's education requirements. The only exceptions to this requirement are those individuals qualifying to use the 180-day provision. See Section II of this policy.

II. 180-Day Provision of WAC 4-25-710.

A Washington State applicant who does not meet the education requirements of WAC 4-25-710 will be eligible to take any section of the examination provided the applicant submits a Certificate of Enrollment form attesting to: (1) the specific courses the applicant expects to obtain within 180 days of taking the first section of the examination and (2) the degree the applicant expects to receive in order to complete the education requirements within 180 days of taking the first section of the examination.

The Certificate of Enrollment form must be completed in full and contain a signed confirmation from the institution where the applicant will obtain the credits confirming the

applicant's course and degree expectations.

The Board will not release the exam score(s) of any applicant who utilizes the 180-day provision unless the applicant meets the education documentation requirements as follows:

1. The applicant must complete the education requirements as specified on the Certificate of Enrollment form within 180 days of taking the first section of the exam and
2. The applicant must submit confirming documentation (official transcripts or a foreign credential evaluation) to the Board within 210 days of taking the first section of the exam.

If the applicant fails to fulfill either of these requirements:

1. Any of the applicant's exam score(s) falling outside of the 180/210 day requirements will be invalid
2. The applicant will have to retake any invalidated sections of the exam; however, to be eligible to retake any section of the exam the applicant must first demonstrate that s/he fully meets the education requirements of WAC 4-25-710.

Applicants transferring examination grades obtained while taking the examination as an applicant for another jurisdiction are granted the privilege of utilizing the 180-day provision. In other words, these applicants must document that, within 180 days of taking the first section of the examination, they met the Washington State education requirements in effect when they first took the examination. Such documentation must be submitted to the Board within 210 days of the applicant's transfer of grades to Washington.

III. Applicants Who First Took the CPA Examination Prior to July 1, 2000

The Board requires compliance with the education rule in place the first time the applicant sat for the CPA examination. To be eligible under this provision, the applicant must have taken all sections of the examination the first time the applicant sat for the CPA examination; however, the applicant is not required to have passed any section(s) of the examination.

A. **May 1993 to May 2000:** Applicants who first took the examination between May 1993 and May 2000 are required to have a baccalaureate degree including at least:

1. Twenty-four semester hours or the equivalent, in accounting subjects including no more than ten semester hours of lower level elementary accounting courses; and

2. Twenty-four semester hours or the equivalent, in business administration subjects which shall include finance and economics.
 3. A concentration in accounting for holders of graduate degrees for purposes of this rule shall consist of at least:
 - a. Sixteen semester hours or the equivalent in graduate level accounting subjects. Undergraduate accounting courses may be substituted at two-thirds of the stated undergraduate credit; and
 - b. Sixteen semester hours or the equivalent in graduate level business administration subjects which shall include finance, and economics. Undergraduate business courses may be substituted at two-thirds of the stated undergraduate credit.
- B. Individuals who first took the examination prior to May 1993, have credit for one course in information technology in addition to the requirements of A. above.
- C. Individuals who first took the examination prior to May 1987 and passed the examination prior to May 1993:
1. Must have a baccalaureate degree in any field but
 2. Would not need a concentration in accounting

IV. Documentation Requirement Note: Scanned, photocopied, or faxed copies of any of the documents below are not accepted.

Applicants are required to provide documentation of their education as follows:

1. Official transcripts from **each** college or university at which original credit(s) toward the educational requirements was earned (**Note:** Unofficial transcripts "issued to student" will not be accepted.)
2. If applicable, the original foreign credit evaluations, and
3. If applicable, the original Certificate(s) of Enrollment.

V. Miscellaneous

- A. The Board does not provide examination or experience alternatives to fulfill the education requirements. However, the Board does allow credits earned on the basis of proficiency examinations (such as CLEP or PEP) as counting towards the accounting concentration provided the credits are accepted by an accredited US college or university as academic credit towards a degree, or by a foreign institution and accepted by the approved foreign credential evaluation service.

- B. The Board does not perform pre-evaluations of education or pre-approve courses prior to submission of application for the CPA exam.

- C. Individuals who have completed the CPA examination and are **applying for licensure** via Interstate Reciprocity or Transfer of Credit must meet the Board's education requirements in effect when the individual first sat for the CPA examination. The applicant may apply course work taken after first sitting for the examination in order to meet this requirement.