



About the CPA Designation and AICPA

The CPA credential is a license issued by one of the 55 states or territories of the U.S. that authorizes the holder to practice as a CPA in that jurisdiction. Licensing of CPAs helps to protect the public interest because only those individuals who have met prescribed requirements are permitted to identify themselves to the public as CPAs. One component of the licensing requirement designed to ensure only qualified individuals become licensed as CPAs is the uniform CPA Examination.

The Examination is one of the "Three Es" - Education, Examination, and Experience - that are required for licensure as a CPA. Consequently, passing the Examination is not, in itself, sufficient to meet requirements for licensure.

The American Institute of Certified Public Accountants (AICPA) develops, maintains and scores the Examination. The AICPA is part of an Examination partnership with the National Association of State Boards of Accountancy (NASBA), which manages the National Candidate Database, and Prometric, the company that delivers the Examination at its authorized test centers. The Examination is provided on behalf of the Boards of Accountancy, which have ultimate licensing authority.

Once candidates pass one Examination section, most boards allow 18 months for passing the remaining three sections. The entire Examination is 16 hours. A candidate has four hours to complete each Examination section.

CPA testing windows are:

- 1st Quarter: January to March 10
- 2nd Quarter: April 1 to June 10
- 3rd Quarter: July 1 to September 10
- 4th Quarter: October 1 to December 10

The last remaining days in each quarter are Blackout Periods – No exams held.



CPA Sections, Exams Details and Format

The Examination consists of four sections:

Auditing and Attestation (AUD)

Business Environment and Concepts (BEC)

Financial Accounting and Reporting (FAR)

Regulation (REG)

AUD EXAM

The Auditing & Attestation (AUD) section of the CPA Exam covers the entire auditing process, including auditing procedures, generally accepted auditing standards, standards related to attest engagements and the AICPA Code of Professional Conduct. It's important to remember that the AUD exam tests on how well a CPA candidate applies their audit and attestation knowledge when solving problems and performing specific Blueprint tasks, not how well they are able to memorize auditing concepts.

The AUD Exam is 4 hours long and consists of 72 Multiple Choice Questions (MCQs) and 8 Task-Based Simulations (TBSs).

BEC EXAM

The Business Environment and Concepts (BEC) section of the CPA Exam tests CPA candidates' understanding of business concepts and the significance of a CPA's professional duties and responsibilities within the larger context of the business environment. Areas covered on the BEC Exam are corporate governance, economic concepts and analysis, financial management, information systems and communications, strategic planning and operations management. One unique aspect of the BEC exam is that it requires the candidate to prepare and submit three Written Communication responses.



Many CPA candidates consider BEC to be the easiest section of the CPA Exam. However, BEC pass rates have historically been only slightly higher than those for other sections, and the exam still requires a serious study effort.

The BEC Exam is 4 hours long and consists of 62 Multiple Choice Questions (MCQs), 4 Task-Based Simulations (TBSs) and 3 Written Communication Tasks (WCs).

FAR EXAM

The Financial Accounting and Reporting (FAR) section of the CPA Exam is arguably the most difficult, longest and by far the most comprehensive section of the exam. FAR requires that CPA candidates have a strong knowledge of US GAAP, including concepts and standards for financial statements, typical items in financial statements, specific types of transactions and events, accounting and reporting for governmental entities, and accounting and reporting for nongovernmental and not-for-profit organizations. CPA candidates should also be able to demonstrate the skills needed to apply the financial reporting knowledge required of CPAs.

The FAR Exam is 4 hours long and consists of 66 Multiple Choice Questions (MCQs) and 8 Task-Based Simulations (TBSs).

REG EXAM

The Regulation (REG) section of the CPA Exam tests a CPA candidate's knowledge on federal taxation, business law, business ethics and professional and legal responsibilities. More than 60% of the REG exam focuses on federal taxation.

The REG Exam is 4 hours long and consists of 76 Multiple Choice Questions (MCQs) and 8 Task-Based Simulations (TBSs).