

February 5, 2010

To Accountancy Board Chairs/Presidents, Executive Directors, and Other Interested Parties:

Significant changes in Uniform CPA Examination content, structure, and format will be implemented when CBT-e is launched on January 1, 2011. As a result, a new CPA Examination passing score will need to be determined. Planning for “standard-setting” – as the process of establishing a new passing score is sometimes called – is now under way, and we are writing to advise you about the standard-setting components and schedule. In addition, we seek your help in identifying CPAs who may be qualified to play a key role in the standard-setting process.

Purpose of Standard-Setting

For any licensure examination, a formal process to set the passing score is needed in order to establish the level of performance candidates must meet to demonstrate that they have the knowledge and skills necessary for licensure. When there are major examination changes – as there will soon be on the CPA Examination – the passing score needs to be reconsidered to ensure that legally defensible pass/fail decisions are made in protection of the public interest.

Roles and Responsibilities

The AICPA Board of Examiners (BOE) has the authority to set the passing score on the CPA Examination. The Psychometric Oversight Committee (POC) of the BOE is responsible for recommending methods and procedures for setting the passing standard, overseeing the analysis of data generated by content experts, and reviewing the results for psychometric validity before they are presented to the BOE. The current plan for setting passing scores is similar to the one used in 2003-2004, when standard-setting last took place in conjunction with the implementation of CBT (Computer-Based Testing). It calls for panels of content experts to review candidate performance on the examination and make judgments about it.

Standard-Setting Panels of CPAs

Four panels of CPAs – one for each examination section – will be convened this summer as the first step in the standard-setting process. At each panel meeting, training will be provided to the panelists on how to rate candidate performance profiles, which will consist of examination questions and candidate responses to them. Initial ratings by question type – Multiple-Choice Questions (MCQs), Simulations, and Written Communication tasks – will then be developed by the panelists. The panelists will review and discuss the initial results before assigning final ratings of candidate performance profiles.

Standard-Setting Timeline

The POC is scheduled to present the data developed by standard-setting panels for initial review by the BOE in October or November 2010. Final review by the BOE and the determination of the new passing score will take place in the spring of 2011, after scores from the first 2011 testing window become available.

Request for Standard-Setting Panel Nominations

We are currently seeking nominations of CPA volunteers who would be willing to serve on standard-setting panels and able to participate in an August 2010 two-day meeting in Chicago, IL at the expense of the AICPA. Please help us identify prospective panelists by nominating CPAs who:

- have been licensed for between three and five years
- have supervised entry-level CPAs during the past year, and
- have NO affiliation with CPA Examination review courses.

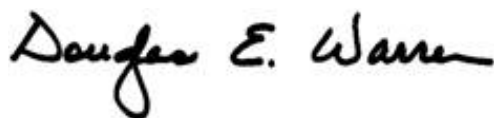
The nomination process is streamlined, and multiple nominations – as well as self-nominations – are welcome. Nomination forms are available at <http://vovici.com/wsb.dll/s/4e5ag3f124>. Completed forms may be submitted online – or by FAX to 609-671-2922 – or the names of nominees and contact information may be submitted by e-mail to passingscorepanel@aicpa.org. We ask that nominations be provided by March 31, 2010.

The information collected about nominees will remain secure and will be used solely for the purpose of identifying prospective standard-setting panelists. Panelists will be selected with the goal of ensuring broad representation of all segments of the profession and demographic categories.

We are providing an announcement in the hope that you will be able to publish it in your newsletter, or post it on your website, or distribute it as an e-mail attachment to anyone able to submit nominations. The work of the panels will be extremely important to the continued success of the CPA Examination and its role in the CPA licensure process. Thank you in advance for helping to identify CPAs who have both the required qualifications and the willingness to contribute their time and expertise to standard-setting.

We would be happy to provide additional information about any aspect of standard-setting and to respond to questions.

Sincerely,



Douglas E. Warren, CPA
Chair, Board of Examiners



Craig N. Mills, Ed.D.
Vice President - Examinations