

1-1974

Education: Professional Certificates

Patricia L. Duckworth

Follow this and additional works at: <https://egrove.olemiss.edu/wcpa>



Part of the [Accounting Commons](#), and the [Women's Studies Commons](#)

Recommended Citation

Duckworth, Patricia L. (1974) "Education: Professional Certificates," *Woman C.P.A.*: Vol. 36 : Iss. 1 , Article 10.

Available at: <https://egrove.olemiss.edu/wcpa/vol36/iss1/10>

This Article is brought to you for free and open access by the Archival Digital Accounting Collection at eGrove. It has been accepted for inclusion in *Woman C.P.A.* by an authorized editor of eGrove. For more information, please contact egrove@olemiss.edu.



Dr. Patricia L. Duckworth, CPA
Metropolitan State College
Denver, Colorado

In addition to the Certified Public Accountant certificate, there are a number of "new" certificates available — the CMA, the CAM and the CIA. The CMA (Certificate of Management Accounting) is sponsored by the Institute of Management Accounting of the National Association of Accountants. The CAM (Certificate of Administrative Management) is sponsored by the Administrative Management Society, and the CIA (Certificate of Internal Auditors) is sponsored by the Institute of Internal Auditors. There are similarities as well as differences in the requirements and in the examinations themselves. Some accountants should seriously consider earning certificates in lieu of or in addition to the Certified Public Accountant Certificate.

Certified Public Accountant Certificate

In June of 1917 the American Institute of Accountants (changed to American Institute of Certified Public Accountants on June 3, 1957) administered its first examination. Eight states gave it as the CPA Examination. The acceptance of the examination has grown until in 1953 every state and territory of the United States used the Uniform CPA Examination prepared by the Board of Examiners of the AICPA, thus the CPA certificate has uniform significance throughout the country.

The Uniform CPA Examination measures technical competence, which includes technical knowledge, skills in the application of such knowledge, and the exercise of good judgment. It is a two-and-one-half day examination given

Education

Professional Certificates

twice a year, in May and November, consisting of the following four subjects:

1. Theory of Accounting
2. Commercial Law
3. Auditing
4. Accounting Practice, Part I
5. Accounting Practice, Part II

The two parts of Accounting Practice are graded as one. The examination attempts to measure the level of competence required for general practice in a medium-sized community and includes the audit of a medium-sized organization.

There is no national CPA certificate, only a Uniform CPA Examination. One who wishes to qualify as a Certified Public Accountant must do so under the laws of one of the states or territories. The requirements for the CPA certificate have much in common, but there are important differences among the states. The certificate is awarded to an applicant who meets the statutory and accounting board requirements of the political jurisdiction to which he/she applies. The District of Columbia, Guam, Puerto Rico, the Virgin Islands and all fifty states use both the examination and grading service offered by the AICPA.

The education requirement varies, but an increasing number of states now require the baccalaureate. Often the increase in education is accompanied by a reduction in the required time of work experience under the supervision of a CPA. There is wide variation among the states in the years of experience required, the kind of experience required, and the time necessary to acquire state residency.

State Boards of Accountancy are beginning to accept conditional credit (passed parts of the examination) from other states. Many states require a candidate to earn a minimum grade in failed subjects in order to receive conditional credit in

passed parts of the examination. Ordinarily this requirement is a board regulation instead of a statute. It not only specifies that a candidate will be examined in all subjects, but forces candidates to prepare for all parts. Candidates are required by all jurisdictions to write all parts for which conditional credit has not been awarded. The life of a conditional credit varies from three years to the five next examinations to unlimited in time. After expiration of the conditional credit, the candidate must be re-examined in all four subjects if he/she wishes to continue to work toward a CPA certificate. Most jurisdictions require that applicants be twenty-one and either citizens of the United States or have officially declared their intention of becoming citizens.

Although there is one Uniform CPA Examination, there is considerable variation in the requirements for obtaining the certificate. In addition to the successful completion of the examination, certain essential character attributes and desirable personality traits are required by the various state boards of accountancy.

A booklet of the Questions and Unofficial Answers for specific Uniform CPA Examinations may be ordered for seventy-five cents from:

American Institute of
Certified Public Accountants, Inc.
666 Fifth Avenue
New York, New York 10019

Application for admittance to the CPA Examination should be made to the appropriate State Board of Accountancy (not to be confused with the State Societies of CPAs) in time to meet the application deadline set by the board.

Certificate in Management Accounting

In an effort to professionalize the management accountant and in response to

the needs of business, the National Association of Accountants established the Institute of Management Accounting to administer a program to recognize professional competence and educational attainment in this field — a program leading to the Certificate in Management Accounting.

The CMA will be awarded to those candidates who have been admitted to the Institute of Management Accounting, passed all five parts of the certificate examination within three years of acceptance into the program, and have completed, prior to or within seven years of having passed the examination, two years of related professional experience in management accounting. In addition, holders of the Certificate will be required to maintain their proficiency in the field by engaging in regular continuing education.

The examination consists of five parts, each of which takes three and a half hours. It is scheduled consecutively over a two-and-one-half day period in the first week of December. The five parts of the examination are:

1. Economics and Business Finance
2. Organization and Behavior, Including Ethical Considerations
3. Public Reporting Standards, Auditing and Taxes
4. Periodic Reporting for Internal and External Purposes
5. Decision Analysis, Including Model Building and Information Systems.

A high level of skill is required in parts four and five, and a somewhat lower level of specialized knowledge is required in parts one, two and three.

To be admitted to the CMA program, the candidate must satisfy one of the following three requirements:

1. Hold a baccalaureate degree in any area from an accredited college or university, or
2. Have achieved a score satisfactory to the Credentials Committee of the Institute of Management Accounting on either the Graduate Record Examination or the Admission Test for Graduate Studies in Business, or
3. Be a Certified Public Accountant or hold comparable professional qualification outside the United States.

The first CMA examination was given on December 6, 7, and 8, 1972. It was taken by 410 accountants at twenty-two locations in the United States. The examination and unofficial solutions were published in *Management Accounting*. Part I appeared in the February 1973 issue. The entire examination with unofficial solutions are available from the Institute for seventy-five cents per copy. The second

CMA examination was given on December 5, 6, and 7, 1973.

The procedure for entrance to the CMA program and the CMA examination is an application to the Institute of Management Accounting, accompanied by a ten dollar application fee, no later than the August 1 preceding the examination. The Institute evaluates the candidate's credentials and upon acceptance to the Institute the candidate is sent an application for the CMA examination. An examination fee of thirty dollars is charged for each part of the examination applied for. In the event of failure the examination fee must be paid again for each part to be retaken. The examination application must be received by September 1. During the first week in November, the candidate receives authorization to take the examination at the site selected by the candidate from among the announced test sites.

For more information regarding the Certificate in Management Accounting or an application form, write to:

Dr. James Bulloch
Institute of Management Accounting
c/o National Association of
Accountants
919 Third Avenue
New York, New York 10022

Certified Administrative Manager

The Certified Administrative Manager (CAM) certificate is sponsored by the Administrative Management Society. The program was three years old in September, 1973. The CAM examination is given twice each year, on the fourth Saturday in April and the third Saturday in November. It is given at test centers established with the cooperation of the Administrative Management Society Chapters where the concentration of candidates reveal a need. The examination consists of five parts, the first four of which are:

1. Personnel Management
2. Financial Management, Control and Economics
3. Administrative Services
4. Systems and Information Management

A maximum of four hours is allowed for completion of each part, and the parts may be taken in any sequence. A maximum of two parts may be taken on a given day. The first four parts basically consist of short problems, multiple choice questions, and situation analyses requiring a brief one- or two-paragraph answer. The fifth part of the CAM examination can be taken only after the candidate has successfully completed Parts 1 through 4. It is an in-depth case-study management problem incorporating the various management skills.

A one time, nonrefundable registration fee is payable at the time the application for CAM candidacy is submitted. Examination fees of thirty dollars are required for each part taken and candidates may re-take any part of the examination previously failed. If all five program standards are not completed within ten years of the date on which the application fee is filed, a second registration fee is required.

The Certified Administrative Manager (CAM) examination is aimed at measuring the candidate's knowledge of the skills, concepts, and fundamentals of administrative management. To achieve the CAM designation, candidates must meet five standards:

1. Pass the five-part CAM examination.
2. Have two years of experience at the administrative management level. This level is defined as a position in which the individual has significant responsibility for one or more of the following management functions: personnel, finance, administrative services, systems, and information management.
3. Have high standards of personal and professional conduct.
4. Provide satisfactory evidence of active participation and leadership, within recent years, in civic, fraternal, management, professional, religious, political, or social organizations.
5. Show evidence of having made a contribution to the furtherance of effective administrative management ideas and principles through oral and/or written communications such as speeches, articles, books, moderating seminars or workshops. Alternatively, the candidate may submit an original research study, management report, or analysis on a subject approved by the Professional Accreditation Commission that contributes to the state of the art of management.

The approved candidates who have successfully completed the examination and met all the standards prescribed by the Professional Accreditation Commission of the Administrative Management Society receive the professional designation "Certified Administrative Manager". The individuals so designated may use the initials "CAM" with personal signatures on professional and business letters, on letterheads and in other appropriate ways. Each individual awarded the CAM designation becomes a member of the Academy of Certified Administrative Managers. This Academy is devoted to the continuing education of CAM's and is governed by the Professional Accreditation Commission.

For more information regarding the Certificate in Administrative Management, or an application form, write to:

Director of Professionalization
American Management Society
Headquarters
Willow Grove, Pennsylvania 19090

Certified Internal Auditor

On December 8, 1972, the Board of Directors of the Institute for Internal Auditors, Inc. gave final approval to the Institute's professional Certified Internal Auditors Program. All internal auditors who meet the established qualifications are eligible for admission into the program. It is not necessary to be a member of the Institute of Internal Auditors. It is not an entry level program, therefore experience levels to qualify under the program are high.

The CIA program is intended to stimulate and encourage the self-development of those engaged in the practice of internal auditing, to define the body of knowledge and work experience which form the basis for professional qualifications, and to establish the qualifications for achieving professional recognition of internal audit practitioners. It also recognizes those candidates who have met the qualifications established by granting the professional designation "Certified Internal Auditor", and attests to their professional competence. It achieves, through maintenance of high professional standards, universal acceptance and recognition of the CIA designation.

The CIA candidate must meet the following five requirements:

1. All candidates shall have a minimum of three full years full-time or equivalent work experience in internal auditing.
2. All candidates shall have attained a baccalaureate degree from an accredited college-level institution. This requirement shall be waived for those persons who qualify in all other respects on May 31, 1973 and submit an application form, and the applicable fees, within five years of that date.
3. All candidates must subscribe to a Code of Ethics and submit a character reference from either a Certified Internal Auditor or a member of their company's management.
4. All qualified candidates must successfully pass a written examination. This examination is based on the "Common Body of Knowledge of Internal Auditors". It consists of four sections as follows:
 - (1) Principles of Internal Auditing
 - (2) Internal Audit Techniques
 - (3) Principles of Management
 - (4) Disciplines Related to Internal Auditing.

(Continued on page 31)

WOMEN IN FINANCE

Interested in expanding your career opportunities? If so, let the professional staff of Person, Inc. assist you with the next move up in your successful career.

Today's job market for women offers excellent opportunities to make creative, progressive career moves. The next step in your career can mean a new series of promotional opportunities and increased financial rewards.

Person, Inc. is a placement/executive search firm which specializes in the recruitment of professional women for major national and international corporations. Naturally, employers pay all fees. Person, Inc. has positions throughout the United States. We are presently searching for:

Accounting Generalists	M.B.A.'S
Accounting Managers	Operations Analysts
Auditors	Sr. Project Analysts
Cost Accountants	Systems Consultants
C.P.A.'S	Systems & Procedures Analysts
Financial Analysts	Tax Accountants

Call Person, Inc. at 1-313-353-4560 or send your resume in confidence, indicating current and asking salary plus geographic preference and limitations.

Person, Inc. specializes in the placement of **ALL** professional women.

PERSON, INC.
Suite 305
16900 West Eight Mile
Southfield, Michigan 48075

Letters

November 26, 1973

Dear Editor:

First, may I congratulate you upon the giant steps forward you have made with THE WOMAN CPA. The new size, layout, columns, advertising — all combined by your obviously superior editorial talent, have produced a truly professional journal that is a definite plus for the accounting profession and especially for the women who labor therein.

The Lelievres' article "A Guide to Continuing Education" was of considerable interest because Ohio has this as an in process item at the present time. I do have one comment in this area that I think deserves consideration.

At the present time the entire thrust of continuing education programs for the CP is directed toward the public practitioner. However, since it is the profes-

sional function of the public practitioner to exert judgement after the accountant who is not in public practice has acted, don't we need to consider focusing some continuing education requirements upon the latter?

Using as a guideline the subscription list of the *Journal of Accountancy*, we find that only about 60% of its CPA subscribers are in public practice. This leaves 40% of the CPAs with a ticket to work in the public interest as CPAs from the inside with no requirement by their profession to stay current with developing accounting knowledge and expertise.

Maybe public practitioners are out front and the others will follow. Let us hope so.

Sincerely,
Mary F. Hall, CPA
Partner, Hildebrand & Hall
Cincinnati, Ohio

November 30, 1973

Congratulations!

The October issue of *The Woman C.P.A.* is the most readable, best looking professional Journal I've seen. I've already read three times as many articles as I usually do.

I think you've done a *fantastic* overhaul job; the entire format is very appealing. I'm very proud to show off our Journal — and I have to several people already!

Sincerely,
Sandra L. Nelson, CPA
Partner, Wolf and Company
Denver, Colorado

Education

(Continued from page 28)

The examination is developed each year under the supervision of the Board of Regents. It is given annually on the same day in locations throughout the world. A candidate must sit for at least two parts of the examination in the initial sitting, or he/she may elect to take all parts at a single session. Candidates may repeat those parts which they failed by reapplying and submitting the applicable fee. All four parts must be passed within a space of three consecutive examinations. Candidates disqualified for failing to pass three consecutive examinations may reapply for consideration as a candidate at any future date.

At least seven months prior to the examination a completed registration form with a ten dollar registration fee must be filed. All requirements for work experience, character references, and baccalaureate degree must be met before the candidate will receive the approval of the Board of Regents to sit for the examination. An application to sit for the examination must be filed with The Institute of

Internal Auditors, Inc., together with a forty dollar examination fee for each part no later than six months prior to the examination. After satisfactorily passing the examination, candidates are entitled to use the designation Certified Internal Auditor as evidence of having met all requirements of the program.

For more information regarding the Certified Internal Auditor certificate, write to:

Director, Certified Internal
Auditors Program
The Institute of
Internal Auditors, Inc.
5500 Diplomat Circle
Orlando, Florida 32810

Summary

Each of the four certificates have high standards for education, experience and ethics. Each has a rigorous examination. The CIA is the only one that requires that all requirements, including experience, be met before one can sit for the examination. All except the CPA certificate have national, rather than state requirements.

With the exception of the CPA certificate, they are all relatively new, but they will probably, in time, acquire the same status as the CPA certificate. All accountants seriously interested in furthering their education and establishing their professional credentials should consider obtaining one or more of the above-described certificates.

Review of Accounting Research, Education and Practice

(Continued from page 29)

the tendency to reason by contradiction." As added benefits, the accounting profession would be accorded greater respect from other disciplines and would be better able to counter management pressures.

Patricia S. Fendler
Graduate Student
Memphis State University