



88 THINGS

You Need To Know For The

CPA Exam

+14 *STUDY TIPS*



CPAEXAM.COM

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How to Study for the CPA Exam

FAQS

1. Is there a good time of year to start studying

The best time of year to start studying is when you are ready to sacrifice and get up early, study over lunch and study at night. If you work in public accounting, reality says that studying is tough during busy season. There is never a convenient time to start studying. Just commit and go for it.

2. How long should I study for each section?

Studying 20 Hours a Week:

FAR/REG: 6 to 8 Weeks

BEC/AUD: 5 to 7 Weeks

These numbers are a baseline, something to shoot for. You might study 25 hours a week. You might study 15 hours a week depending on what your schedule permits. Two months is the maximum you should study for an exam because there is a significant short term memory component to the CPA exam. If you study less than 20 hours a week, ***you're not really studying.***

3. How do I condense the information I need to study into manageable chunks that cover the truly important information? Do I have to study it all?

You have to work a lot of multiple choice questions. People spend too many hours on CPA review videos watching an instructor tell them what's in a book. A better use of time is to practice the multiple choice questions (MCQ). You have to understand how to answer the questions and navigate the material the way that the AICPA asks it.

4. I've passed some sections, but have no experience on the next section I plan to take. I heard it's a tough one. Should I approach it the same way as I have for the other two?

The exams are not based on experience - meaning that the conceptual content doesn't build from one exam to the

next. Each exam is independent from the rest (with some natural overlap in FAR and AUD). Whatever you've done to pass the first exams, repeat it for the exams that follow.

5. Do you recommend on focusing on one section at a time until I can pass that section or rotate through the sections so I don't get burned out?

Try to stick with one section and pass it if you can, but then there's a balance because after you take your exam, you don't just want to twiddle your thumbs for however long it takes to get your scores. Take your exam and move onto the next section.

6. My exam credit is about to expire. Do I have to get my scores back before the expiration date?

No. Sit for the exam that you have left before the expiration date. It doesn't matter when you get your score. As long as you physically sat down and took the exam before your expiration date, that's what matters.

7. I'm worried that I will run into problems with my 18-month clock after I pass my first section. Any advice?

Don't let the 18 month-clock lull you into taking a couple of months off. Get a study schedule. Try to knock out two sessions per testing window. Start studying for your first section. Take the first section in the mid-month of the first month of the testing window. Take your second section at the end of the testing window. Stay focused.

8. My plan is to finish all four tests in one year. How is that best managed?

Time management is a big thing. Taking all four tests in a year means you will take one per testing window. This leaves room for a retake if you fail (with the 18 month rule).

If you have to take two tests in one testing window, BEC makes an excellent exam to pair up with FAR or REG or Auditing. If you're in a time crunch like you're trying to take two exams during busy season, take one at the beginning of the testing window, take the other one at the end.

9. How would you suggest a person study if he/she has Attention Deficit Disorder (ADD)?

Break your study time into small, little study nuggets. If you know that you can't pay attention to a video for more than 10 minutes, study for 10 minutes then take a three-minute break. Get up, walk around, do jumping jacks. Sit back down. Shut off your email, cell phone and Facebook. Get rid of distractions while studying.

10. I'm a first time test taker. I'm scoring 50 to 60% on the practice tests. It's making me want to give up before starting, is this normal?

Don't do practice tests. They don't provide instant feedback and a score on a practice exam is essentially a percentage, which isn't how the real exam is graded. In essence you should be doing focused multiple choice questions over certain topics. Using FAR as an example, do 20 governmental accounting questions until you're scoring 70 to 80%. Then move on to your next weakest topic. Do them in study mode so you get instant feedback.

11. I think I may study better with help, should I get a tutor or set up a study group?

For the CPA exam, it is better to study by yourself. A tutor cannot sit down and walk you through a section any better than what you paid your course to do and you probably don't need to get a study group together. When you used study groups in college you didn't have DVDs of your professor talking at you. Now you do, and you've already paid for a study course. Studying with other people is going to cut your efficiency by 1/3, minimum.

12. If you have limited time to study a week and a half before your test, would you suggest focusing on multiple choice or simulations for the test?

Your final two weeks should be mostly multiple choice questions. Some people like to practice simulations. But if you know the multiple choice questions, you should

also know the simulations because it is just a different application. Granted, SIMS are 50% of your grade, so spending some time on them as well would be wise. The main focus should be on the MCQ, however.

13. I've been studying for two months straight for 25 to 30 hours a week. What should I do to stay fresh?

First, figure out why you want to pass this exam. It has to be for you. It's your WHY. That's how you stay motivated, remember your why.

Next, to keep from getting bored, take notes while watching the videos. Taking notes is an active learning approach.

If you're lacking in motivation to study, one thing that you can do (though this is not a best practice), is to schedule your exam three weeks from today. What's that going to do? It's going to motivate you to get up early to study. You'll study at lunch and you'll going to study at night because the pressure is on. When the heat is on, people perform under pressure because they are forced to prioritize their time.

14. What is the best way to juggle waiting for a score, scheduling new exams, and retaking exams?

After an exam, move on to the next section and start studying. If it takes the AICPA three weeks to get your score back, that's three weeks of study time you'll lose if you wait. Secondly, if you'd failed a section, you would have to go back from the beginning and start over because people who cut corners and just kind of do a cram after failing put themselves in the danger of actually scoring lower than they did the first time. So start studying for your next section.

15. Should I start studying before I schedule an exam or schedule and then start studying?

People who study but don't schedule their exam don't have a target date so they never get around to taking the exam. Schedule so that you have a definite goal. Once you have a goal, then you start sacrificing. You're not going to sacrifice if you don't have a goal.

16. I'm planning to take three weeks of unpaid time off work before my next exam. Any advice or recommendations on how to study for this last part? I've passed three parts and I must finish this last part before I face expiration.

Taking three weeks off of work is a lot. If you study 40 hours a week, that's 120 hours. You have to ask yourself if it's worth taking three weeks of vacation for that. Maybe you take one and a half weeks, 10 days leading into your exam. Maybe then you take 10 days off and really ramp it up, and then take a week off after your exam and go do something fun. That leaves another week of vacation time to take for the rest of the year.

17. What's the best way to pass quickly and efficiently on the CPA exam? I'm between jobs and I want to take advantage of my time off.

When you wake up each day you have to be on a schedule. You have to treat it like it's a job. You physically get dressed and leave the house for eight hours, and go to a coffee shop, library or some quiet place and study.

If you study in the same environment that you sit around, you're not going to study. It has to be a mental shift. You must leave the house. If you want to quickly knock the exams out, treat it like a full time job. Treat it like you're working 50 hours a week. Treat it like you have to go in on a Saturday too. That mental shift is very important.

18. About a month ago, I was laid off because my employer was overstaffed and needed to cut the payroll. Should I look for a new job or concentrate on passing the exam?

Find another job so there won't be a gap in your employment record. If you say you took time off to study, they might wonder why you couldn't handle them both. If you can't handle them both, maybe you can't handle the workload of taxes. Even though you've already done that, they weren't there to see it. They don't know your work ethic. Jump back in, get a new job, and study at the same time.

19. I've decided to get back to studying for the CPA exam after a three year hiatus. Where do I start?

The hardest part is just starting again because you go from not studying, not being in the exam studying routine. It's a mental shift. You cannot study for the CPA exam halfway. You either do it or don't. If you do it halfway, you are going to drag along for several years.

20. How should I utilize my last three weeks of study hours?

Three weeks is actually a lot of time for a funnel review of the material. Rewrite your notes. When you take notes, take their words and put it into your words to be actively learning. Taking those notes and rewriting them means you are reabsorbing them. If you highlight your text, take notes from what you highlighted.

In week two, work a ton of multiple choice questions and continue to take notes on the multiple choice questions. Start with your weakest areas and start hammering the questions. Keep reading over your old notes. Study 20 to 25 hours doing multiple questions.

In your final week, read your notes, work on your weakest areas and do a final mix of questions and notes as you lead up to your exam.

21. What do you suggest to do to calm your nerves before an exam? I know the material but I keep second-guessing myself.

Everyone feels the exact same way as you going into their exam. Half of the people who walk into it will pass. There's no reason why you can't be one of them. If you put in the time, be confident in yourself. And don't forget to work multiple choice questions the morning before your exam.

22. As I watch lecture videos and take notes, how detailed should my notes be, and do they need to be hand-written? What if I don't have time to rewrite them?

As detailed as you want them to be from the beginning. Later on you are going to rewrite your notes, so you will break your notes into little fact nuggets. Go detailed. As far as handwriting notes, most people probably learn best by handwriting, but some people like to type. If you can retype your notes and still absorb the information, that's

fine. There's nothing special about handwriting them aside from the fact it causes you to slow down, think about the info a little bit and put it in your own voice.

If you don't have time to rewrite the notes, skip on to the multiple choice questions. Grab your MCQ Software (NINJA, Wiley, etc) and do 20 questions in study mode over your weakest area. Read the questions, click each answer, read each answer explanation and move on. If you start scoring in the 70s, move on to your next weakest topic. Maybe it takes three or four mini-testlets of 20 questions before you hit 70% proficiency but that's okay.

23. For multiple choice question practice sessions how many MCQs and modules should I select at a time to make the best of it?

Do 20 intensive mini testlets that are topic specific. Read each answer explanation and stay focused. Never do 20 random questions. Do 20 topic specific multiple choice questions at a time.

24. I was wondering about the average percent of questions I should be getting right when I'm doing my multiple choice questions the first time. I've heard if you're getting about 75, then that's strong enough the first time around. Any idea?

That's fine for the first time around. What's key is how you are performing when you're about three days from your exam. If you score 75% the first time around and a few weeks later you're hitting 50% with your MCQs, you should worry. Three to seven days out from your exam, you need to be hitting 70% to 80% before you move on.

25. I am stuck on one topic in the videos. I felt like I could watch it over and over again and still not understand. I am writing notes, which I feel is slowing me down. I'm just not getting it. Should I just move on or actually try and understand the material?

An integral part of the learning process is working the multiple choice questions. So it's normal to watch all the videos and then bomb all the questions the first time through. The video teach you theory; the questions teach you exam application.

26. I get very bored during lecture videos and find it hard to retain information. Do you think supplementing my lectures might be a good strategy? Is this a common way to study?

One way to get over the boredom of lecture videos is to take your own notes. Create an environment where you are actively learning by writing things down. Take what the instructor says and put it into your own words. Don't discount the importance of lecture videos and taking your own notes.

27. If someone has many years of working experience but no accounting experience then goes back to school to complete a bachelor's degree in business with an emphasis in accounting, are they likely to pass any of these exams?

Absolutely. You are not at a disadvantage. You have to take a review course and learn the material all over again because most accounting programs don't teach you to pass the CPA. Will you have to study a little bit more? Probably, but are your chances of passing lower? No.

28. I'm currently working full time at a non-profit as a staff account while completing my Masters in Accounting part-time in the evenings. What should be my plan of attack in terms of studying for the exam? I'm thinking of quitting my job after my graduation. Do you think that will be enough hours?

Instead of quitting your job, why don't you just keep working and making money and studying in the evening? The opportunity cost of quitting your job to study is obviously any lack of benefits or income. Are you going to treat studying like a full-time job? Are you going to still study three hours a day like you would have if you were working full-time? It will be very tempting to act like you're on vacation so only you know what you're prone to do.

29. I have my Masters in Accountancy and I worked in the private sector for six years. I'm finally ready to start preparing for the CPA exam. Where should I start?

You're in a good spot. You have your masters. You have your MAcc. You've been working for six years. The first step is to apply, get your transcripts, and make sure that

you're approved. Then after you get your approval letter, you're good to go. Order your CPA review course but don't buy all four parts at once.

30. I've been out of school for two years and have no accounting related experience. I applied and was approved to sit for the exams, but the fact that I have no work experience and that it has been a while since my last accounting class is stressing me out. I also decided to study full-time, no work and no school. Can I pass if I put in six to eight hours a day and spend three to four weeks on my review?

Neither being out of school for two years nor lack of work experience is big deal unless you're going to get licensed. The only reason why you would get licensed is if you want CPA on your name. If you want to sign audit reports, do bookkeeping or tax work, then you need to be licensed. If you want to go work in industry and work in operations accounting and crank out general ledger reports and do SOX compliance, you don't need to be licensed. You can always go to work for some accounting firm or whatever your state's requirements are for licensing and work experience later. Just jump to the exam now.

31. How are the MCQ graded?

There are two levels, medium and hard. If you started out at medium and then your second and third felt like they were a nightmare, that's usually a good sign. If you just coast through your exam and it's very easy for you, that might be a cause for concern. If a couple of your test-lets were nightmares, that's a good sign.

Probably, 15% to 20% are pre-test, which means they don't count. They are checking to see if they want to include them in the future. As you move into the harder test-lets, the questions are wordier, more difficult and they are worth more points. That's how that works.

32. Do you have any suggestions on how to study for the simulations and how to improve on the research part?

If you understand the material from a conceptual level to the point where you can answer the multiple choice questions, then you should understand it to be able to do the simulations. Go to cpa-exam.org and practice the simulation there from the AICPA and make sure that you know how to do the research component.

33. How do I prepare myself for the BEC written communications?

Number one, you want to know the concepts so you have to be conceptually strong. When you write about something like price elasticity of demand, you should know what you're talking about and drop some keywords in there. Have your thesis statement, your three supporting points in the body of the memo and then your conclusion where you recap your points and finish off the memo. If you are weak on written communication, you can practice writing essays. Written communications are computer graded. They're finding key points. There is not a review course that could teach you how to do written communication better. You would be better off finding an English teacher who can help you write a written communication.

34. Is there a good method to do a research question on the exam?

Go to aicpa.org and do the AICPA's free tutorial. This is a must to do because the only way to practice doing the research is to do it from the AICPA. That's exactly how it's going to look on exam day. That goes for every exam; do the practice at CPA-exam.org.

Retakes After Failing

FAQS

35. When can I expect to receive my score report from NASBA so that I can tailor my studying for my retake?

Normally NASBA sends it out probably a week or two after you get your results. Don't tailor your retake based on your score report. When people tailor their retake according to their score report, what that means is that they are going to cram in those sections, which is a mistake.

36. After taking a section, do you recommend waiting for your score to see whether or not you need to retake that section, or take a short break and begin studying for your next section?

Take a short break and begin studying for your next section.

37. I failed an exam section three times in a row because of the simulations and research. What can I do to improve in this area?

Make sure you do the AICPA practice simulations. Go to the AICPA practice exam and do the research component. Make sure that you can quickly navigate the research component so you don't have lag time on exam day trying to figure out how to make your research component stick. You also need simulation software. Practice multiple choice and practice simulations using the Test Bank you have. If you know the multiple choice questions, then you stand a good chance of doing the simulations.

38. I keep failing the same section. I've passed the others parts so now I just need this one. Do you have any advice on how to take the test?

You probably made the mistake that many people make when they think they are a few points away from passing. They don't replicate what they did before. If you want to pass, replicate what you did before then do something different. Do not cut any corners.

You can also add some supplementary materials. Add more study hours and dig into a section that you're weak on. Go back through your study prep course. You've done the multiple choice questions over and over; maybe it's time to get a different test bank. On the final week of your review, start with your weakest area first working backwards doing multiple choice questions.

Stay away from practice exams. They can give you a false sense of hope. If you score 75 percent on your practice exam, that doesn't mean a 75 on the actual CPA exam. You are far better off working 20 question mini testlets over a certain topic.

Multiple choice questions are an integral part of the learning processes. They are equally if not more important than watching your study videos. Can you just watch study videos and go in and pass? No. Can you just work multiple choice questions and go in and pass? Not a best practice, but you can do it.

If you continue to struggle, you need to ask yourself if you are really putting in the time. It all comes down to an honest assessment. Are you studying 65% effort or 110% effort? Are you taking it seriously? Are you invested in it? Are you using the right review course for you? There might be a significant conceptual deficiency in your study prep. It's probably not due to lack of effort as far as time, maybe you're not studying as efficiently and effectively as you can be.

You may also need to change review courses. Even if it's not the review course's fault because you just haven't been putting in the time, you may still need to get a new review course because you've been staring at the same books, materials and instructors for the last two or three years, and you've seen the video too many times. You need to get a new review course, if nothing else, for motivational purposes

39. I've taken an exam section twice and failed. Should I stick with it or switch to a different exam and save it for the end?

There's certainly a motivational component to the exam. Take it one more time and if you don't pass, then take another section just for a change of pace. Change your review course too. Take it one more time, switch review courses and otherwise move on and save it for the end.

40. I failed an exam section and I'm starting to study again. Should I rewrite my notes, or can I use my old notes for review?

You should rewrite your notes again. It helps you absorb the material.

41. I've been struggling with my exam. My job is not in accounting. I don't have an accounting degree, but I did take classes to be eligible to sit for the exam. I assume I need to put in double the effort since I've not had much accounting experience. What should I do?

Not having an accounting degree or working in accounting is not that big of a disadvantage because it's an academic test. Real world experience doesn't always transfer over to the exam. An accounting degree does not take the place of a CPA review course. Even people with accounting degrees have to take a CPA review course.

42. What happens when you fail the ethics exam three times?

A lot of states require some sort of ethics requirement. Many states require the AICPA. Struggling with the ethics exam has nothing to do with luck. You have to go through those questions one by one and play out each question. Some of the questions are subjective.

As far as failing it three times, if you hit submit three times and it didn't go through, you probably have to send in the paper copy. Do you have to take the CPA exam over? No, but with the ethics material, you might have to buy it again. You have to keep taking it and submitting it. There might be different rules as to how many times they will let you electronically submit it. Read the fine print or call the state board of accountancy.

43. I failed my first exam section with a 61 after studying four hours a night every night for three months. I know only 30% of CPA candidates pass the CPA Exam on the first try, but I put in four times the recommended study time.

You scored 61 because you studied four hours a night every night for three months. There are significant diminishing returns. Study no more than 20 to 25 hours a week and study six to seven weeks max. You studied about six weeks too long.

Studying While Working and/or Having A Family

FAQS

44. How do I balance work, family and studying?

How do you balance family life, work, church, little league, marriage, kids, in-laws and friends while passing the exam? When working seriously to pass your exam you have to make sacrifices: getting up early to study before the kids are up and studying over lunch instead of going out with co-workers. Knock out four to five hours of studying on a Saturday and maybe it doesn't disrupt your family that much. You're going to have to have some give and take with your spouse. Your spouse must be on board.

If you are a parent staying home with young children, you have the world's most difficult job. Naps and quiet time for them mean automatic study time for you. Save household chores for when your kids are awake. Maybe you walk around the house with your laptop. Whatever room you're in, your study software up and work questions. Chip away at it in 10-minute segments.

The bottom line is you have to sacrifice. Your family is also sacrificing, and you have to make sure that you still have a family to come back to when you pass the exam. Make sure that you are sacrificing as much or more than your family while you're studying.

Stay motivated despite the sacrifices by asking yourself why you want to be a CPA. You have to be crystal clear why you want to pass. If it's a goal that other people have for you, it's not going to work. It has to be your goal.

45. I'm the spouse of a perpetual CPA exam test taker. He studies, gets discouraged, quits, starts again, takes the test, fails and quits. It goes on and on. It's

been four years. I truly am at my wits end trying to help him find his groove. Any suggestions, tips or ideas?

You need to sit down and have a heart to heart talk. If his heart is not in it, that's okay. Trying to pass the CPA exam for someone else is never going to work.

If your husband is not willing to sacrifice like you are, then he needs to hang it up. If he wants it badly enough that he's getting up early, studying at lunch, putting in the time and sacrificing what he likes to do but not sacrificing his time with you, then continue to support him. There's something very admirable about a person who wants to better themselves for the benefit of their family.

46. I'm a full time accountant working 40 to 70 hours a week with no time on weekends to study. I've failed several times. I'm highly discouraged and don't know where to go from here. What should I do?

You are an average accountant because you are working 40 to 70 hours a week. Everyone else who is working and studying is in the same boat. You said you can't study on weekends. If it's because you don't want to do it or it's inconvenient, then you need to think through that. Are you studying 20 to 25 hours a week? If not, why? Are you getting up early? Are you studying at lunch? Are you staying up late? Are you sacrificing to take the exam?

Do an honest self-assessment. Are you studying 110%? Or are you studying maybe 70%? If you want to pass and weekends are not an option, you are going to have to really kick it Monday through Friday. You have to sacrifice.

47. I'm scheduled to take my final exam section. Since this is my last section and I don't have anything left to study, should I assume I failed, and keep studying while waiting for my score, or be optimistic and assume I passed? I have a wife and kid and would like to avoid three weeks of unnecessary studying.

Do not study. Assume that you've passed and then if you have to come back to it, you have to come back to it. Even if you fail, you're going to have to start over your review process.

48. I've invested a lot of time and energy in passing the CPA exam, and my wife and daughter have shared the sacrifices along the way. Now that I've passed, I was initially elated. Now I feel somehow depressed or something. Suddenly, I don't know what to do with my time. Any advice?

What you're feeling is normal. After passing the exam, you can't just jump into something else, because your wife and kids may not support it. They need some time with you. That's just being a good spouse and father. It doesn't mean you have to shut your brain off and become a lump on the couch. Try getting an Audible.com account and start listening to business books or, if you're not an audio learner, start reading. Start out small. Make it a goal to read a book a month or a book every six weeks.

Maybe you take six months off, read some books and then jump into the CMA because that's a great compliment to your CPA license. Get some more certifications to further distinguish yourself from your peers. You'll be much better at cost accounting and you'll be more marketable. Adding more certifications is more cost effective and it means more than getting an MBA. Just be sure your family is onboard.

49. How do I focus on my studies? I'm currently going to school for my Master's in Taxation. I can't focus with all the time I have dedicated to the CPA exam.

If you're going to invest in your Master's in Taxation, consider putting the CPA exam on hold. Do one thing at a time and do it with excellence rather than doing both simultaneously with mediocrity. If you're struggling to do both remember, you're paying a lot of money to get that Master's in Taxation. Knock that out and then focus your sights on the CPA exam.

50. Do you have any tips for studying on your way to and from work? I commute between one to two hours a day and I was wondering if there was any way I could study while driving.

Some of the review courses have audio products (NINJA Audio, Roger Audio, etc). You can listen to them while driving.

How to Choose A CPA Review Course

FAQS

51. How do I choose the best CPA review materials for me?

The first thing to consider is your budget. Does that necessarily mean that you buy the most expensive option? No. The most expensive option might be the one for you, or the least expensive option might be the one for you.

Next is your learning style. Do you like PowerPoint or PowerPoint style with a voiceover? This is a very effective way for people to learn. Or do you prefer a talking head in front of a dry erase board, reading from a book, and writing stuff on a dry erase board? Maybe you prefer to read the books yourselves and take notes? There are several review courses that use an instructor style with the dry-erase board. There are others that use more of the PowerPoint.

Third consideration, when you watch the demos, do you like what you see? If you hate highlighting, don't buy a course where they highlight stuff. If you can't stand the sound of an instructor's voice and they're distracting, don't buy their course. And make sure that you find a course that doesn't just review the topics but will go in and teach it.

Finally, what are your peers using? What are your peers having success with, be it the people at your firm or office or the people on the another71.com forum? You can take any given course and you'll find a lot of people that like and a lot of people that hate it. Listen to both sides. That's how you pick a CPA review course. Don't listen to all the marketing. Some courses spend a lot of money on marketing. Does that mean they're the best for you? Maybe yes, maybe not.

It's very important that you look into the expiration policy of a review course. Does access to the course expire? If it does, how much does it cost to renew? Also consider if

they give refunds or free updates until you pass. Other things to look into include restrictions and features. It's all about efficiency and your learning style. Whatever course you are considering, watch their demos and make sure that you like the product you're going to get.

52. Is it wise to buy a CPA review course before I'm approved by the Illinois Board of Accountancy?

Do not buy a CPA review course until you are approved because what if something happens and you need to jump through some more hoops to get approved? Most review courses don't accept returns. Also, do not buy review materials until you are ready to start studying. You want to buy the most up to date courses. If you get an online course, they probably have limitations on how many times you can watch the video online. Ask your review course provider.

53. What shall I do with study materials from two years ago? Is it obsolete or shall I use them?

Don't use old materials from two years ago; throw them away.

54. I'm just starting my CPA journey. I'm wondering if there's any material for studying the ethics and governance segments. Is there a test bank I can practice more questions?

Any CPA review course will cover ethics. For ethics auditing, there's a little bit of ethics in regulation and governance, corporate governance that's in BEC.

You need to check with your State Board of Accountancy and find out if they require an ethics exam at all. Some states don't. Some states have their own ethics requirements, and some states use the AICPA ethics exam. If it's the AICPA ethics exam, you can go to cpa2biz.com and buy that there.

55. I cannot pass the online open book ethics exam. Do you have practice materials that will help me prepare?

No. It's open book, but that doesn't mean it's easy, because you submit your answers. You have to go through each question one by one and change one or two answers and hit submit again. You're going to have to go through it meticulously.

56. What do you mean when you say work your questions in study mode?

In most study software packages, you can select between study mode and exam mode. In exam mode, if you do a set of twenty it doesn't give you your answers till the end. In study mode, it gives you the answer and the answer explanation right away.

57. The CPA Review Courses cost a lot of money. Is there a cheaper way to study?

CPA Review courses do cost a lot of money but so does a new notice to schedule (NTS). Cheap doesn't always equal better. While the most expensive course might not be the best option, nickel-and-diming your review course studying is not the best way to go either.

If you have a full review course that doesn't match your learning style, invest in a good review course. If you fail because you cut corners, not only is it going to cost you another NTS (which isn't that much less than a review course), but you're wasting six to 12 weeks of time.

58. How do you know when the review material you're using is inadequate? I'm thinking about switching packages for my next exam to see if I feel more prepared for the exam.

People pass the exam with every review course under the sun. Look at any review course and you'll find someone who has passed using it. Does that mean that it's right for you? No. Just keep rolling with your review course. Study hard and see what happens. If you don't like your instructor, however, you do need to get a new course.

State Requirements

FAQS

59. What is the eligibility criteria to sit for the exam in my state?

The eligibility criteria to sit for the exam differs from state to state. Contact your state's Board of Accountancy.

60. I'm moving to a new state. Do I have to get my CPA license transferred to my new state? What happens if I take two tests in one state and then move and finish the last two tests in another state? Will I have to retake the first two?

Yes, if you want to be a CPA in that state. Say you're licensed in California and you're moving to New York, if you don't plan to hold yourself out as a CPA in New York, you don't have to worry about it.

You will not have to retake the tests you passed in the first state. The question comes down to what state you want to be licensed in. If you're going to be signing tax returns in one state, then you want to be licensed in that state. If you're not going to be signing tax returns and protecting the public interest but just want to have CPA after your name, then it will not matter where you're licensed.

The other issue is the reciprocity arrangements between the two states. If they have very similar requirements for certification and licensing, then it's not a big deal. Are the requirements the same? Are the experience requirements for getting licensed the same? You need to find all those out. Contact the each state's Board of Accountancy to get all the details on how that affects your situation.

61. I messed up and waited too long to reserve my spot to take my exam section. I live in Georgia and I've taken and passed my three previous exam sections in Georgia and plan on being licensed in Georgia. The only slot Prometric that will fit my schedule is in Alabama. Is this an issue?

No, it's not an issue at all. It's not a big deal as long as you're a Georgia candidate. You can schedule it in California if you want to. It makes no difference.

62. Are we supposed to get a confirmation letter from NASBA or the California Board of Accountancy after we've passed all four parts?

NASBA will send a little packet to California and then California will send it to you. If you want to speed up the process, you can go to your state's Board of Accountancy website. Often they have the forms that they're going to send you in PDF form. Print those PDFs. Maybe there's an experience requirement that you have to get signed off on; maybe you need to apply to get your certificate. Don't wait. It might be four to six weeks before you get that stuff in the mail. Go to the site and print it off to speed up the process by sending it to them.

63. If I'm a licensed CPA in one state can I refer to myself as a CPA in another state where I'm not licensed?

No. It's always a good idea to put something like this:

Your Name, CPA (State) just to make it clear which state you're licensed in

64. I just learned I passed all four sections of the CPA exam. What do I need to do besides taking the ethics exam? Should I sign up as an AICPA associate member or wait to become licensed to be a regular member?

In order to get your certificate and your license, you need to contact the State Board of Accountancy. The biggest benefit that you can get out of being an AICPA member is the discounted CPE and disability insurance through the AICPA. So wait to become a regular member.

65. I'm a bit confused after I passed my four exams. My teacher said there's a difference between a licensed CPA and a register or certified or 'certificated' CPA.

Each state uses different verbiage. Some states only issue a certificate when you get your license. You cannot put "CPA" in an email signature, on a business card, or on your website unless you are licensed, meaning you are licensed through your state and you keep up with the CPE requirements.

Other Issues

FAQS

66. I'm considering the CPA exam as a means of professional development. I have no intention of obtaining my license. Is the exam worth my time?

Sure. There is no greater impact to your resume than passing the CPA exam. Passing the CPA exam trumps an MBA

If you pass the exam, you need to understand that you'll spend a lot of time and effort studying but, outside of putting it on your resume, you can't tell anyone that you're a CPA. Without a license, you're not a CPA. You can't put it in an email signature, you can't give a presentation and say that you're a CPA, etc. It's like having a great accomplishment you can't tell anyone about.

67. I have a BS in clinical lab science and completed my MBA. Can I be eligible to take the exam without an accounting degree?

You don't need an accounting degree to take the CPA exam, but the accounting requirements for taking the CPA exam basically amount to having an undergrad in accounting.

68. Should I get my required work experience before taking the CPA exam?

Take the exam first, because right now you're in the mood to study. Right now, you know what to expect on the exam. In two years they may have completely changed some things.

69. I'm finishing up my Accounting degree and the school I attend offers an Accounting Master's Program. I understand that I would be more prepared to take the CPA Exam after the Master's Program, but am I ill prepared to start taking the exam right after I graduate with a Bachelor's? I will

have the necessary 150 credits to graduate with my Bachelor's degree.

It is not always the case that you will be more prepared to take the CPA Exam after a Master's program unless it is geared towards the CPA Exam. If it is geared toward the Exam, they likely use CPA review materials.

Studying for the CPA Exam is a very focused type of study. A Master's in Accounting, is pretty broad. If you complete your Master's degree, you're still going to have to go through a CPA review course. You're just as prepared today with your 150 hours after your Bachelor's degree.

70. I'm planning to complete the CPA exam in a few months. I have a BS in accounting with 124 hours. What should my next step be to get my 150 hours? MBA, MAcc, or something else?

You have to do a cost-benefit analysis. Having a Master's in Accountancy when you have a CPA designation doesn't really help you at all. If you want to get an MBA eventually, maybe it makes sense to go the MBA route in your situation. Usually, getting an MBA is most beneficial when you already have some experience under your belt. It's up to you, MBA or MAcc. If the MBA program is 30 hours and the MAcc is 30 hours, go for the MBA.

71. I'm struggling with the CPA exam. Should I try to get my CIA instead since it's easier and then go for my CPA later?

No. Stick with the CPA exam because there's really never a good time to study for the it. It's a hard exam. It's hard now, and it will be hard later. Some diversionary tactic like going out and getting an MBA or another credential instead of the CPA exam won't change the fact that you haven't passed the CPA exam and it's not comparable in the market place.

72. I recently passed all four parts of the CPA Exam. Can I put it on my business card? I don't meet the requirements to be licensed yet.

You cannot put CPA after your name in an e-mail signature. You cannot hold yourself out as a CPA in any capacity, even if you have a certificate, if you are not licensed in your state. Jump on the requirements to get licensed, knock that out, and then you don't have to worry about it.

73. I want to get my CPA license. Should I start on the exam now, or should I wait until I get a big four job so they will pay for my review materials?

If you wait for your job, they will pay for your materials. If you're not working now there would be some benefit to maybe knocking out one exam. If the big four job doesn't come in six months, jump into the exam. If you wait until you get a big four job to take the exam and it never comes, you'll never pass. If you are not working right now, maybe take one section, get your big four job and let them pay for the rest of the materials.

74. My test was scheduled for this morning and I missed it. I'm not sure what the next steps are. My NTS expires in a year from now so it's still valid for a while.

If you failed to show for an exam, they mark you as a no show and you probably cannot reschedule again this window. You have to wait until next window and you'll probably have to buy another notice to schedule for that particular exam. Call NASBA Candidate Care and double check.

75. I received a 74 on my exam. Is it worth having a score review?

No. By the time that you pay the money and get the appeal results back, you could have taken the exam again and passed and got your score again. It's not worth it. It's a waste of time, money and energy. Just study again and take it again.

76. My computer at the testing center kept freezing during the simulations. I reported the problem but they couldn't do anything about it and wanted me to complete the test. I lost more than one hour

in total. I've contacted the AICPA. Do you know what my options are or if I even have any?

You have two options. Accept your exam as is or file your complaint.

77. If I failed my first exam section, would it impact the job prospects? Do the employers look into first exams or what matters is that you are qualified?

Technically your employer could ask what your CPA exam scores are and you can show them your NASBA letter as proof. Most employers, however, are only going to care that you passed.

78. During the actual exam, how much time can I spend to write down all of the mnemonics and formulas that I've memorized in my head? Does the four-hour clock start when I sit down at the computer?

The four-hour clock starts when you hit go for the exam. When you sit down at your computer, you have about 10 minutes to enter your launch code. If you don't, the session will stall out. Ask the person at the testing center regarding the 10-minute limit to be sure. People have been locked out because they didn't start their exam in time.

79. Do you know specifics about how the test is scored? For example, are some questions worth less than one point, more than one point, etc.?

The AICPA does not give that type of information. They use psychometricians to score the exam. Basically, your exam starts out on medium, and then if you do well, your exam shifts into hard. They use adaptive testing. The hard questions are worth more than the medium questions. That's all they tell you. Some questions are worth zero because they're pretests.

80. Does the CPA exam spreadsheet at the testing center work just like Excel?

It will in 2018. You can use the spreadsheet at the testing center for something simple like equals two plus two, but if you do anything more complex beyond that, you're asking for trouble. So use your scratch paper or the Windows-based calculator that's on the exam.

81. How does the 18 month rule work? How do I know when my credit will expire?

When you go in and take your exam and you pass that exam, that's when the 18 month window starts. Some states say the clock starts when you took that exam; some states say the clock starts on the end of the month when you took that exam. It's a state by state issue so ask your state.

82. Do you have any information on the ethics exam? Should it be taken within the 18-month window?

The ethics exam is state specific. Find out if your state has an ethics requirement. Most do. Do they have their own ethics requirement or do they require the AICPA ethics exam? If it's the AICPA ethics exam, you have the choice between the CD and or a book or something. Get the CD because it's easier to navigate and search for answers.

83. Why do I feel like I bombed my exam?

You feel like you bombed it because you were just getting insanely hard questions. They started you out on the medium test slip and then started feeding you the hard test slips for your second and third slip. That's why you felt you were just getting destroyed. If you walk out feeling like you bombed it, that's good. If you walk out feeling like it was the easiest thing in the world, that's probably not good.

84. In NINJA MCQ, the Wiley Test Bank, etc. are the simulations broken out by topic?

Yes, they are. Most review courses do this.

85. Does the AICPA grade you on the number of multiple choice questions you answered or the total questions on the test? If I only answered 80 out of 90, do they grade me on just those 80 or the total of 90?

It's the same thing because you basically start with a score of zero. You start with zero, and every question you get right is just moves you higher.

86. Is it common to feel overwhelmed during the exam? I've never been as humbled in my life as I am now save for the CPA exam because it's a plethora of topics and there only seem to be one or two questions per topic.

The CPA exam is extremely humbling. There are people who work in Big Four. They were superstars during school, 4.0 students and they can't pass the CPA exam. It's wrecking their professional and personal life. It's an extremely humbling exam. If it was easy anyone could be a CPA. Keep in mind the first time pass rate is between 25%-30%. On any given section, the pass rate is 45%-50%.

The key is to not give up. It's a lifetime reward because, once you pass it, no one can take it away from you.

87. What do you think of taking more than one test in a testing period? Can I apply to take another test as soon as I finish the first one? I would like to just schedule them all ahead of time but I wasn't sure.

Do you buy all four of the NTS all at once or do you just pay for them a la carte? In some states, NTS are valid for a certain amount of time. If you buy all four, take one section and fail the exam, and you want to take it again, the clock is ticking on those other notice of schedules. It is better to take them one at a time.

88. Is the actual CPA Exam at the testing center the same level of difficulty than my test bank software questions?

If you put in the time with your study materials, when you get into the exam, the questions will seem less wordy than what you are used to. If they seem as wordy or on par with what you've been studying, that probably means that you have shifted into a hard test, which means you're doing well. If you do the book questions first and worked on all the kinks and move on to the software questions, you're doing better.

Best Tips for Studying AUD

89. I'm studying Audit right now. What is the best way to approach this section?

There are a lot of things in AUD that are conceptual. Do not try to memorize, you need to understand the concepts. In the days prior to the test, you'll want to focus on internal control and audit sampling. Your best bet is to find a study plan specifically for AUD online and follow it for the five to six weeks of studying required to pass this section.

90. I just failed Regulation for the third time in a row with a 71 and lost credit for Auditing. Do you recommend giving REG a break and starting back with Auditing, which took me three tries to pass?

If you have to go back to a section of the CPA exam that you've come to abhor and hate, then you need to switch it up. Maybe it's time for you to start studying for Auditing. You passed it last time, you feel like you finally figured out Auditing. Go back in there and get that quick win.

91. I've passed BEC and Regulation. My problem is that I can't pass Auditing. I scored a 69 and a 66. What should I do?

Since you passed BEC and Regulation, you're probably using the same review course for Auditing that you used for BEC and Regulation. What is it about Auditing that's different about BEC and Regulation in regards to your study habits and your review course? Maybe your instructor for BEC spoke to you in a different way. A lot of times courses don't use the same instructors for the different topics, maybe you just don't like your auditing instructor.

Auditing is different than BEC and Regulation. BEC and Regulation are just facts and rules and computation. Auditing is pretty conceptual. You have this foundation of knowledge, and then each question seems kind of subjective. It seems like there could be two answers, and so you have to choose the best answer. Auditing is different. It's not as straightforward.

What should you do? Maybe you need to switch review courses, maybe not. Maybe you need to study differently. Maybe you need to study harder, maybe not. Either study differently or get a review course.

Best Tips for Studying BEC

92. I'm studying for BEC right now. What is the best way to approach this section?

Go through the material like any other section, but one sneaky tip:

The **afternoon** before your next exam, do every single IT question in your BEC study software. People struggle with IT because it's hard to study for. It's not conceptual, and it's not something you deal with daily, it's just something that you have to memorize.

93. I failed BEC twice after not doing any of the writing. I don't have any grammar or writing training. Can I pass BEC without doing any of the written communications or should I take a writing course?

Can you pass without doing any of the written communications? Maybe. Whatever review course book you're using, you need to practice not only writing, not only your technical writing, but you also need to practice having a thesis statement, a middle paragraph and closing. One way to practice that is to just start writing on the CPA Exam Forum and let the people grade your writing.

Best Tips for Studying FAR

94. I'm studying for FAR right now. What is the best way to approach this section?

The main subjects for FAR are inventory, bonds, lease amortization, capital versus operating and lease. Governmental accounting and not-for-profit accounting account for 20% of your exam. Don't also neglect basic GAAP versus IFRS differences.

Do mini test-lets on any weak areas take notes. Work them in study mode until you are getting about 70%. Rewrite your notes. Study the notes that you took from lectures, and work a ton of multiple-choice questions.

Memorize governmental funds and how to open and close a period for governmental accounting because it's different than anything else. Journal entries are very important, you have to know them, but not necessarily have them memorized. If you're weak on it, practice journal entries. If your course software has simulations, find the ones that have the journal entries.

95. I'm about to take FAR again. I realized that it is a very broad topic. Any suggestions on how to break it down?

Get further readings on subjects such as the statement of financial concepts. You can also take a practice test first and see where you need to focus. There's a lot of information in FAR, so people watch the review course and have 50 hours of lectures but how do you remember 50 hours of information? The truth is, you're going to forget some of it. Cram your study window as tightly as possible.

96. I'm studying for Financial but I'm not scoring high enough on my Diagnostics. Should I postpone and study for another section instead?

You might want to reschedule your Financial Exam for later to give yourself more time. You might be charged a fee, but if you're not scoring high enough on your Diagnostics, you need to ask yourself why? It is normal to score lower initially, but as you do more multiple choice questions,

you should be scoring higher. If you're not, it means that there's a deficiency in your review process. Either you're not using your review course correctly, you're not using a good course, or you're not using a course that matches your learning style.

97. Can I restudy FAR in 23 days?

Can you restudy for FAR in 23 days? Twenty-three days is not nearly enough time to pass FAR using normal methods, but extreme deadlines call for extreme study hacks. The only shot you would have to pass FAR in 23 days is to watch all of the videos in five days, walk around with your notes everywhere you go, and study the multiple choice questions.

98. Where can I find the codification tutorial for FAR. Is there a free resource?

Go to the AICPA website and they have a sample test. Within the sample test they will have the simulation. Practice that and it will be the same as what you see on the exam.

Best Tips for Studying REG

99. I'm studying for REG right now. What is the best way to approach this section?

Regulation is three hours with no written communications. It is the biggest time crunch of all the exams.

Individual tax is very important. Corporate tax has C-corp, S-corp. There's also partnership and estate tax. One mistake people make is underestimating how many business law and ethics/professional responsibilities questions there will be on exam day. It's a combined 40% of the exam. Some sections are more heavily tested than others as evidenced by the CSO, but all are important and need to be studied. Know property contributed to corporation partnership, like-kind exchanges and all of your business law. Also dig deep into some of those tougher topics like 1231, 1245, 1250 assets, and AMT preference items.

The best way to learn all of the tax related info is to watch your videos from your review course. Tax is tough. There are many tax rules. Most review course providers license their questions from the AICPA. If you can work all of the estate tax questions in your software or your book, then that should give you a pretty good feel about how the questions are going to look on the exam. It is not important at all to memorize tax form numbers for Regulation. Regulation is more conceptual.

Contract law is one little sliver of everything that you have to know for REG, but if you just focus on contract law, you're going to fail REG. Spend a few hours hitting it intensively, but you have to know the basics. You have to work on multiple choice questions. Work 20 questions in your study software. Every question has three learning opportunities: why one answer is correct and why the other three answers are wrong. As you work through the questions, get out a legal pad and write down fact nuggets. Read your notes and then move on.

When preparing for the Tax Preparer and Ethics related questions on REG don't worry about the videos in your review course. If they have a hand-out, read that. Work a ton of multiple choice questions. That's really the way to learn it.

100. I failed Regulation for the second time. The simulations are killing me. What do I do to improve in the simulations?

Number one, you have to know the concepts for the simulations. If you don't know the concepts then you're not going to do well on the simulations. For Regulation in particular, make sure that you go through and know the different types of tax forms. Both corporate partnership, individual, and M1, M2 and M3. Make sure that you know how to do those. Number two, practice the simulations.

Just shoot for practicing five simulations. You could practice 10 Regulation simulations and get none of them on exam day. The simulations are an extension of your proficiency of the concepts that are tested on the multiple choice testlets. You have to lock those down. Regulation is tricky. There are some tax concepts in Regulation that are not just easy to digest, and so you need to get a review course that really drills down into some of the tougher stuff like like-kind exchanges, 1231, 1245 and 1250 assets.

101. After failing Regulation with a 64, my performance showed I was weaker in all of the tax areas and stronger in business law. What should I do this time around that I come out stronger on both?

You're stronger than the average passing candidate in business law. Your business law sounds good. Make sure that your level of preparedness for your next exam is as good as your previous exam. You're really going to have to dive into Regulation particularly on like-kind exchanges, AMT, 1231, 1245, 1250 assets and corporate tax. Estate taxes are bad but you just have to know it. Don't take individual tax for granted.

REG is a different sort of exam because it's divided into two parts with the business law and the tax. Even each section of tax is different. Regulation is a different sort of exam, and so if you know the tax really well but you slough off on the business law, you're going to fail. If you know the business law really well and you know a few areas of tax law, you're going to fail. There's got to be a glaring weakness. Whatever section of tax that you dread, that you hope that you don't see on the exam, study those really hard and study everything else that you did before. Start from scratch and go over it all again.

102. I already passed three sections and need to pass Regulation, where I previously scored a 68. I have two more shots at Regulation before I lose my first credit. I think I wasted a lot of time on business law during my studying and didn't devote enough time to tax. Any tips on putting me over the 75 mark?

You could cram the supplement. Normally, people spend too much time on tax and neglect business law. Business law, professional responsibilities area and business structures of Regulation account for 40% of the exam. It sounds like you focused on 40% of your exam and left the other 60%. What you need to do is have that same level of preparedness for the business law structures and responsibilities area for your next attempt. Make sure that you're still good to go in that area but then for the tax portion, you really need to be as proficient for tax as you were on business law.