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As of July 2025

Update on Pipeline Acceleration Plan Initiatives

The Pipeline Acceleration Plan includes both new initiatives and expanded existing programs designed to promote the image of accounting, raise awareness of careers in the profession, and help those interested in accounting as a major and pursuing a CPA license. Here's a brief update on the status of the plan's initiatives.

Experience, Learn, and Earn (ELE) Program

ELE was launched as a pilot program in early 2024 to provide an opportunity for CPA candidates to earn up to 30 credit hours of the 150 hours needed for licensure at a reduced cost. With your support, 260 students have taken 726 classes. We are deeply appreciative of everyone that promoted the program to employers and candidates.

Market conditions have changed as more than 20 states have passed or introduced legislation establishing new paths to CPA licensure. Given this shift, we determined that the program is unlikely to achieve the scale it needs to be sustainable. As a result, the ELE program will end at the conclusion of the Fall 2025 semester. We have reached out directly to participating students and employers.

We're grateful for all the support we received and proud of the positive response we received from participating students and employers. As we move forward, it's important we take a disciplined, data-driven approach to expanding the CPA pipeline, and affordability in education remains a top priority for our initiatives in this area.

If you'd like additional details, please click here to review a blog on these changes.

Addressing Firm Culture and Business Model Opportunities and Challenges

The AICPA Private Companies Practice Section (PCPS) *Transforming Your Business Model* (TYBM) project provides resources that support and enable changes within firms to create cultures that attract, retain, and develop accounting professionals. This ongoing project focuses on five main pillars: Strategy, Governance, Service Offerings, Technology and Talent.

We are pleased to announce the newest available collection of resources – the PCPS Governance Toolkit. This toolkit involves the frameworks, responsibilities and

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procedures that guide decision-making and maintain organizational accountability within firms. The toolkit focuses on changes within firms due to internal growth, external market forces and other key triggers that may lead a firm to reevaluate its current governance structure. Focused on optimizing efficiencies and each leader's highest value use, this toolkit will help provide the structure to navigate the opportunities and challenges ahead while positioning firms for sustainable growth by focusing on clarity, transparency, accountability, and adaptability. The toolkit will be enhanced by podcasts and articles highlighting practitioners who share their personal journeys and experiences related to significant governance shifts within their firms.

TYBM's focus for 2025 is creating a structured journey for firms to take to transform their businesses. The project has rolled out a five-part webcast series building on each of the five pillars and featuring conversations with consultants in the profession that have created the TYBM resources with AICPA/PCPS. Additionally, the project's present focus will be on refining service offerings to enhance client experience, employee engagement and firm growth. We will examine the ideal target client, various pricing models, and ideas for utilizing AI and automation to become better advisors. The project will also concentrate on practical applications of integrating inclusion practices and their favorable effects on firm culture.

AICPA/PCPS has identified key stakeholders that have existing and ongoing relationships with firms and has launched a collaboration with state societies to be able to efficiently and effectively reach more firms which includes licensing TYBM specific resources.

Toolkits in all five focused areas are updated with new resources on a continual basis, so please visit the Transforming Your Business Model landing page to stay up-to-date on these resources.

30-Hr Communication Campaign

(The initial campaign is complete)
Videos, blogs and a summary report are available to help students decide how to best use their final credit hours to better prepare themselves for career advancement. The resources are based on the results of a CPA firm poll on skills and competencies most valuable for new hires to acquire as they complete their education, as well as interviews with young CPAs, academics, and firm employers. These inputs align with CPA Examination Practice Analysis reports and the AICPA Foundational Competencies Framework for Aspiring CPAs. The summary report for student advisers is available on ThisWaytoCPA.com.

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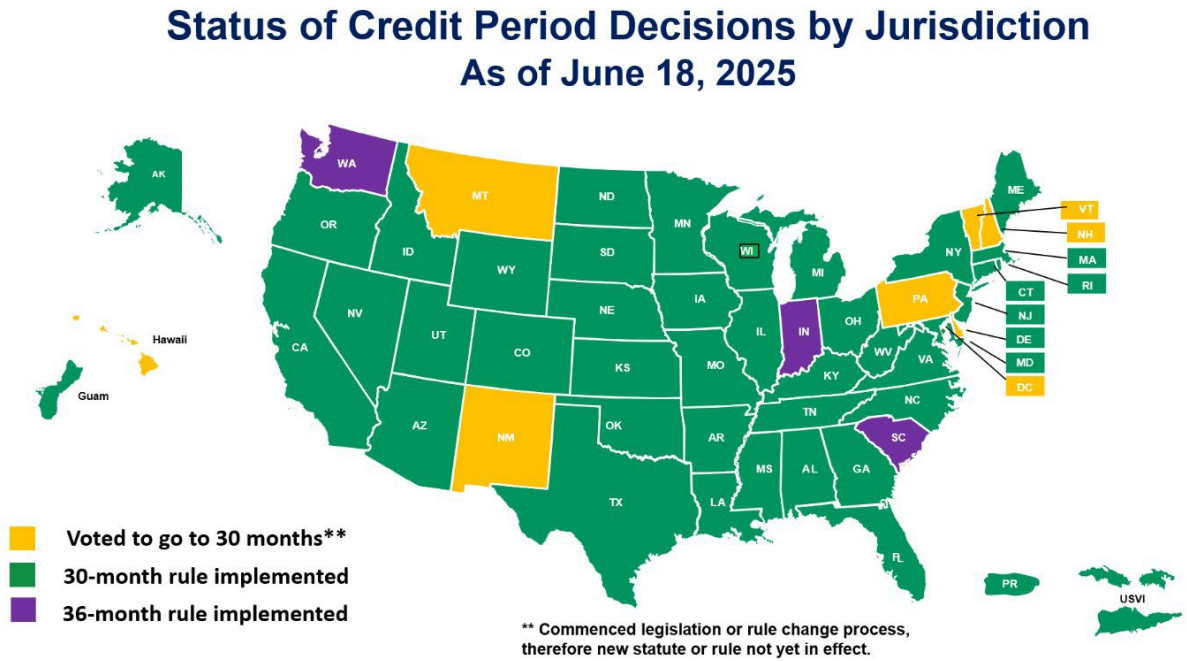
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As of July 2025

Extending 18-Month CPA Exam Credit Rule Period

For some CPA candidates, time constraints and other pressures on exam preparation made completing all parts of the CPA exam within 18 months (what had been the common requirement) a challenge. The Pipeline Acceleration Plan called for an expansion of that time limit. In April 2023, NASBA amended the Uniform Accountancy Act Model Rules to extend the CPA exam credit rule period from 18 months to 30 months. State boards are in the process of granting candidates that added flexibility. All states and jurisdictions have since voted to go to a 30-month period, with some states opting for 36 months. The map below visualizes the status of actions by jurisdiction.

Note also that all state accountancy boards have approved the CPA Evolution Extension policy whereby candidates holding credit on January 1, 2024, will have their credit extended until June 30, 2025, thereby easing the candidate's journey through the CPA Evolution transition.



Credit Relief Initiative

NASBA's CBT Administration Committee is formally recommending that boards of accountancy consider adopting a credit relief initiative that could attract previous CPA candidates back into the pipeline. AICPA supports this concept, which would create an

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opportunity for those who have already passed one or more sections of the Exam in recent years to get those credits restored.

The program extends credit consideration periods through June 30, 2025, for CPA Exam credits that expired between Jan 30, 2020, through May 11,2023, and could bring as many as 18,000 candidates back into the system. As of February 2024, 33 jurisdictions have taken up the CRI initiative for candidates.

Proposed Changes to CPA Licensure and Mobility

(Previously: Examining Uniform Accountancy Act Variances)

In 2024, an initial legal review of Uniform Accountancy Act (UAA) variances was conducted to assess inconsistencies in legislative requirements across jurisdictions. While this review was crucial in identifying discrepancies, it also highlighted the broader need for the profession to evaluate and modernize key aspects of the CPA license — specifically in relation to pathways to licensure and practice mobility. Recognizing these needs, there is broad consensus within the profession that strengthening the CPA talent pipeline is essential, which includes creating additional pathways to licensure. However, while exploring new approaches, it is equally important to preserve the rigor of CPA qualifications and maintain the integrity of practice mobility. To address these objectives, AICPA and NASBA have approved additional pathway to licensure through an amended UAA in May 2025.

Model Law Updates

Approved changes are focused in three key areas:

1. Bachelor's Degree + Two Years of Experience Pathway
    - This pathway allows for CPA licensure with a bachelor's degree and two years of experience, with the scope of acceptable experience determined at the state level.
2. Individual-Based Practice Privilege
    - This provision aims to change mobility being depended on a state-based model and enables CPAs to practice across state lines using their own individual qualifications while maintaining appropriate state regulatory oversight.
3. Safe Harbor Language
    - The addition of safe-harbor language that allows CPAs who were licensed under differing education, experience, and exam requirements as of Dec. 31, 2024, to continue to have practice privileges under mobility.

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As of July 2025

Next Steps & Coordination
As states consider potential legislative amendments to licensure requirements, AICPA will continue to coordinate closely with NASBA, state boards, and state societies to ensure alignment and address any inconsistencies. These developments will have a long-term impact on the CPA profession, shaping licensure and mobility for decades. By working together, we can ensure a successful, well-structured transition that balances the need for talent expansion with professional integrity.

High School and College Initiatives

There are numerous initiatives focused on high school and college students and academia, many of which are progressing collaboratively with State Societies, firms, colleges and universities, and other key stakeholders. To spotlight a few:

- Accounting and finance will be included in the Advanced Placement Business Principles course offered through the College Board. It will be piloted/field tested in 2025-2026 academic year, with a soft launch in the 2026-2027 academic year. It will be open to all schools meeting the criteria in 2027-2028.
- We are focused on expanding educator outreach by growing audiences of the Faculty Hour webcast series and Academic Update Quarterly newsletter.
    - We will host the first global Faculty Hour webinar in October 2025 to discuss IFAC's International Education Standards and how they may prove useful to academics around the world as they engage in developing new members of the accounting profession.
- We continue to work with partners in education (e.g., DECA, BPA, Beta Alpha Psi, AAA, Junior Achievement, ASCA) to promote accounting on high school and college campuses.
- Customizable presentation templates, videos, and facts/figures are available here for firms to use when presenting to high schools and colleges. The resource page includes a welcome video from Okorie Ramsey.
- The Academic Champion Program is comprised of faculty who pledge to promote CPA licensure on their college campuses.
- Engagement opportunities for CPA members to engage with academics and university students.
- Build upon partnerships in education (AAA, AACSB, BAP) to promote accounting on college campuses via presentations, cross-promotion of events, and collaboration on committees and working groups.

Accounting Opportunities Experience (AOE)

Since the initiative's inception in 2022, Accounting Opportunities Experience had its most successful year in 2024 thanks to collaboration with State Societies and volunteers giving back to the profession. The goal of this program is to raise awareness

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of the accounting profession in high schools and increase the students' likelihood to consider studying accounting.

In November 2024, the program saw participation from 44 state CPA societies, with 11 securing Governor's proclamations. A total of 1,212 volunteers delivered 1,099 presentations, reaching 895 schools. In total, CPA volunteers were able to reach 40,851 students — up 70% from last year! Of the students who participated in a post-presentation survey, 80% of students indicate that the presentation increased their interest in accounting.

Planning is underway for November 2025.

STEM Recognition for Accounting

We are deploying a multi-pronged strategy to get accounting recognized as a STEM field.

REGULATORY

AICPA and state CPA societies nominated the accounting Classification of Instructional Program (CIP) code to be designated as STEM by the Department of Homeland Security (DHS) in July 2024. For the 2024 submission, we worked closely with a consultant to develop a more focused and more robust application, narrowing our request to just one CIP code. We also gathered data from university accounting programs, and we used the results to demonstrate to DHS that the overwhelming majority of accounting programs include as much if not more STEM content as programs already designated as "STEM" by DHS. We engaged an academic consultant who is providing guidance regarding academia's response to the changing landscape of accounting and provided evidence for both of these fields (T and M). While we continue to wait for the U.S. government to let us know if these efforts were successful, we are engaged in preparing a new 2025 submission that is due August 1. Our 2025 submission will closely resemble the 2024, however, we have conducted a second survey of faculty and are obtaining an updated list of technology patents that have been issued to CPAs, CPA firms, and accounting educators.
A toolkit is available to assist colleges and universities to encourage expanding their accounting curricula to include additional technology-focused courses, and at least 85 accounting programs have adopted STEM CIP codes.

LEGISLATIVE

The profession supports bipartisan, bicameral legislation that would establish the accounting profession as a STEM career pathway and support efforts to diversify the future accounting workforce. In the House of Representatives, H.R. 2911, the

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Accounting STEM Pursuit Act, was re-introduced by Representatives Young Kim (R-CA) and Haley Stevens (D-MI); in the Senate, we expect Senators Susan Collins (R-ME) and Jacky Rosen (D-NV) to re-introduce their companion bill soon.

These bills, which would allow federal grant funding to be used for K-12 accounting education, highlight the clear and logical integration between accounting and technology and note the value of accounting professionals, including CPAs, as technological leaders. At the end of the 118th Congress, the House bill had 58 co-sponsors, double the previous Congress, and the Senate bill had 5 co-sponsors. We have engaged State Societies on a comprehensive action plan to achieve even more support for the legislation. The AICPA government affairs team anticipates that adding co-sponsors to the current H.R. 2911 bill (and any Senate bill reintroduced) and working with committee staff to identify a moving legislative vehicle that could carry the accounting STEM language in 2025 will be priorities for this year. As of July 2, there are 23 sponsors of HR 2911.

The AICPA government affairs team has also created a new toolkit for State Societies to use when engaging with members of Congress. The toolkit contains a number of resources, including:

- Logo and branding
- Advocacy materials
- Infographics
- Social posts
- Articles and op-eds
- Letter templates

State Societies have also received a sample of Scoreboards that will be used to track their achievements.

Expansion of 529 Funds to CPA Exam Costs

The AICPA has endorsed federal legislation (H.R. 1151 / S. 756) that would allow the use of Sec. 529 funds to include expenses required to obtain or maintain recognized postsecondary credentials. Allowable expenses would include:

- CPA exam fees
- Exam review courses

The legislation was included in the tax reform package that is part of the *One Big Beautiful Bill Act*, and it is now law! We will be monitoring any further IRS or Treasury guidance on implementation.

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As of July 2025

AICPA Foundation and Scholarships

In 2025, the AICPA Foundation launched several new scholarship initiatives and strategic collaborations. Among these were three newly established Legacy Scholarships—the BAP Scholarship & Medal of Inspiration Award, the BKR Accounting Alliance Scholarship, and the Barry & Patty Melancon Scholarship—as well as the BPA/DECA High School Senior Scholarships and the Barry C. Melancon Professional Accounting Research (PAR) Fellowship. These additions complement the Foundation's existing scholarship programs and broaden its impact.

The Foundation has set an ambitious goal to raise $1.5 million in fundraising revenue, with plans to award $1.4 million to 315 recipients across both scholarship and fellowship programs, encompassing all new initiatives launched in 2025. As of May 31, 2025, the Foundation has raised $658,090.69, representing 42.12% of its annual fundraising goal of $1,562,500.

The 3rd Annual AICPA Foundation Golf Classic was held on Sunday, June 8, 2025, at the Paiute Golf Resort in Las Vegas, NV, preceding the ENGAGE conference. This year's event exceeded expectations, raising $133,460 in gross revenue (a 59% increase from 2024) and achieving $103,005 in net profit (a 70% increase from 2024). Attendance and sponsorship also grew significantly, with 139 golfers (up from 122) and 21 sponsors (up from 12), including the first-ever Title Sponsors: Whitman Transition Advisors and Crete Professional Alliance, who contributed $25,000. These results reflect the event's growing financial success and increased engagement.

The Foundation has released its 2024 AICPA Foundation Annual Impact Report available here for review.

The Foundation is also advancing the development of the 321 Strength in Numbers campaign, an ambitious, three-year fundraising strategy designed to meet 100% of demonstrated financial need among scholarship applicants through donor support and pledged commitments.

Government Audit and Finance Collaboration

A joint working group of the AICPA and the National Association of State Auditors, Comptrollers, and Treasurers (NASACT) has completed its efforts to study the reasons for a lack of CPA resources within state and local governments and the CPA firms that audit them. The report titled, *Public Sector Resources: The Current Landscape and*

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Recommendations for the Future, is the culmination of an information gathering effort that included stakeholder focus group meetings and a survey instrument that received over 900 responses. The working group included key stakeholders (e.g., state auditors, state comptrollers, state treasurers, CPA firm representatives, local government representatives, etc.).

The report describes 5 key insights noted from the data gathering effort and provides detailed findings and recommendations. The 5 key insight areas are as follows:

- **Insight 1.** CPAs are not always valued within the public sector environment, which may be at the root of many of the other challenges reported by government entities and the CPA firms that audit them.
- **Insight 2.** Resource and funding constraints abound, making it challenging to offer competitive salaries to CPA positions in government and competitive fees to CPA firms auditing governments.
- **Insight 3.** The technical expertise needed to work for or audit government entities adds a layer of complexity that may serve as a deterrent for CPAs choosing a public sector career path.
- **Insight 4**. There is room for improvement in policies and processes relevant to state-established audit requirements, to governmental hiring and recruiting, and to the hiring of qualified CPA firms to perform audits as well as in how students are introduced to governmental accounting and auditing from both a technical perspective and as a potential career.
- **Insight 5.** CPA firms do not always emphasize the importance of governmental audits, acknowledge the potential of a government-only career path for staff, or invest fully in their government practices.

The report reminds readers that the issues contributing to the CPA talent shortage within the public sector have been developing over many years — they cannot be attributed to just one challenge or solved by one recommendation. It will take a collective, sustained effort by all stakeholders to reverse this current trend. Efforts are currently underway by AICPA and NASACT to educate stakeholders about the report and its contents.

Best Practices for Offshore Talent

(*No updates to report*)

Over the past few years, we have focused on expanding international administration of the CPA Exam in key markets, including India. We have seen significant growth in India and the Exam is now administered in the Philippines as of July 1, 2024. We are also exploring administering the exam in South America and South Africa.

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We have also evaluated how significant the need is for offshoring resources and what resources are needed. So far, two studies have been conducted to assess the demand, and we are evaluating next steps.

In addition, CPA.com continues to explore how to support firms' talent and capacity needs through outsourcing and managed services providers (MSPs). Broadly, this can be done multiple ways, and across multiple practice areas, through:

- Outsource labor (Contractors, offshore talent, etc.)
- Outsource deliverables (Tax services, payables, etc.)
- Managed services (Labor + capabilities/tech stack)

PCPS published an Outsourcing/Offshoring toolkit in December 2023. This new toolkit examines different approaches to utilizing outsourced talent, best practices and key considerations.

Image Campaign

(*No updates to report*)
The AICPA continues to support and look for opportunities to amplify the work of the Center for Audit Quality's Accounting+ initiative, a national brand awareness campaign aimed at introducing students to the possibilities that exist within accounting, while tackling unflattering misperceptions about the profession head on.

Accounting+ meets students where they are – on social media platforms and in the classroom through the voices of trusted messengers, for example, the Pittsburg Steelers. As part of that effort, the CAQ has partnered with education technology firm EVERFI to develop and deliver *Accounting Careers: Limitless Opportunities*, a digital course, to over 3,000 high schools in 49 states, sparking interest and excitement with more than 40,000 students and 2,300 teachers nationwide. *Classroom Connect* is a scalable solution that connects Accounting+ volunteers with teachers looking to provide learning opportunities in their classrooms.

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