

Illinois BOARD OF EXAMINERS Bulletin

Spring Edition 2015



Bruce Rauner, Governor

EXECUTIVE DIRECTOR'S CORNER



Russ Friedewald
Executive Director

Welcome to the Inaugural Edition of the *Illinois Board of Examiners Bulletin*. We hope it is informative and helpful to you as you complete your CPA examination requirements.

The newsletter will be sent via e-mail quarterly beginning with this edition to all applicants and exam candidates as well as educators throughout the United States. The newsletter will contain relevant information regarding current

trends in the accounting profession, legislative updates, state society news and any other regulatory information of relevance.

Additionally, comments from the Board Chair will provide an update on board activities and a summary of issues from the board's perspective. We are hopeful the content will be meaningful and informative for all and welcome input and suggestions.

2015 IMPORTANT YEAR FOR ILLINOIS CPAS

2015 is a license renewal year for Illinois CPAs, CPA firms, and professional service corporations. Every three years, CPAs and CPA firms must renew their licenses and registrations with the [Illinois Department of Financial and Professional Regulation \(IDFPR\)](#), the state licensing and regulatory agency for CPAs and other professions.

Recognizing that many readers may be in the process of applying for their CPA license, the renewal processes outlined below are not necessarily applicable. However, first-time applicants should be aware that beginning this summer, over 40,000 CPAs in Illinois will begin the license and registration renewal process, thereby creating an enhanced processing time for new applicants.



Licensed and Registered CPA Renewals

All Illinois CPA licenses and registrations expire September 30, 2015. Each licensed and registered CPA will receive a yellow renewal postcard from IDFPR 60 to 90 days before September 30th. The postcard will include an individualized PIN number, along with instructions to renew a license and/or registration on-line. To receive this postcard, you must ensure that IDFPR has your current mailing address. If you are uncertain or need to update your mailing address, you can do so on-line via the IDFPR website. For those

who do not renew from the postcard, IDFPR will mail formal renewal packets approximately one month later.

Licensed CPAs will pay a renewal fee of \$120 and must have completed 120 hours of continuing education as outlined in Sect. 1420.70 of the Illinois Public Accounting Administrative Rules. Licensed CPAs renewing for the first time must renew and pay fees, but are exempt from CPE requirements. Registered CPAs will pay a renewal fee of \$90 and are exempt from CPE requirements for every renewal.



ILLINOIS CPA SOCIETY.

(Read more on page 3)

IN THIS EDITION

Executive Director's Corner	1
2015 Important Year for Illinois CPAs	1
CPA Candidate Bulletin	2
Board Chair Message	3
Board Members	3
IDFPR Report	4
Elijah Watt Sells Award Winners	4
Illinois CPA Exam Performance Summary	6

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ILLINOIS BOARD OF EXAMINERS BULLETIN

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If you cannot find the answers to your questions on our website (www.ilboa.org), please contact us directly for more information.

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Monday through Friday

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CPA CANDIDATE BULLETIN

The CPA Candidate Bulletin is the most informative publication available to answer your questions about the CPA exam, including the procedures for applying for the exam, the payment coupon, the Notice To Schedule, exam scoring, refund policies, etc. Quoting the AICPA website, "The Candidate Bulletin is the official handbook for individuals who plan to take the Uniform Certified Public Accountant (CPA) Examination. It covers such topics as how to apply, how and when to schedule the examination, what rules are in effect at test centers, when to expect scores, and what topics are covered on the examination. It also includes information about the examination structure, the roles and responsibilities of CPA Examination partners (the AICPA, NASBA, and Prometric), and Board of Accountancy contact information.

The Board of Examiners encourages you to download this informative publication and read it. The following link will take you to the Bulletin: http://www.nasba.org/files/2011/09/Candidate_Bulletin_070113.pdf

Other, very informative information about the exam can be found at: http://www.aicpa.org/_catalogs/masterpage/Search.aspx?S=candidate+bulletin

THE CANDIDATE BULLETIN
"ROADMAP TO CPA SUCCESS"

December 2014

The Uniform
CPA Examination

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PROMETRIC



BOARD CHAIR MESSAGE

As the 2014-2015 Chair of the Illinois Board of Examiners, I am delighted to add my welcome to that of our Executive Director, Russ Friedewald. We hope you find this newsletter helpful and informative in your capacity as an educator, applicant or practicing CPA.



HOWARD ENGLE

Illinois has had a long history of leadership among CPAs and your very capable Board is charged with ensuring the integrity of the eligibility rules and conduct of the Uniform CPA Examination in Illinois. Our dedicated Board is comprised of leaders in the profession and along with our terrific staff, is committed to maintaining the stature of CPAs in Illinois.

In this newsletter, you will find helpful articles on the application and renewal process in 2015, an update on current licensing requirements from the Department of Financial and Professional Regulation, as well as some statistics on 2014 CPA Exam Performance in Illinois.

We hope you find the information included herein both relevant and timely. Your comments and feedback are most welcome.

Howard S. Engle, CPA, Chair

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ILLINOIS CPAS (CONTINUED)

Peer Review Requirements

CPA firms and sole practitioners who perform audits, and/or reviews of historical financial statements and/or examinations of prospective financial statements, must undergo a peer review prior to renewal every three years as a condition for license renewal. Sect. 1420.75 of the Illinois Public Accounting Act Administrative Rules provides additional detail on the applicability of the peer review requirements.

CPA Firm Renewals

Firm licenses expire on November 30, 2015. Firm renewals are completed via paper application and mailed to the firm's mailing address of record. The firm's license renewal is tied to each partner's individual CPA license. It is necessary for all of the firm's partners' licenses to be renewed before the firm's license can be renewed. See Sect. 1420.30 of the Accounting Illinois Public Accounting Administrative Rules for further information on partners, shareholders, etc. Critical Legal Warning: The firm license will not be renewed by IDFPR until all of the partners' licenses are renewed and in good standing. The firm managing partner should closely monitor individual partner renewals at an early stage to ensure that all are in good standing before the firm application is submitted.

The cost to renew a firm's license is \$120 for a three-year period. If applicable, the firm will also need to complete the peer review requirement as outlined above.

Seamless Renewal Process

The Illinois CPA Society (ICPAS) is working closely with IDFPR to ensure a seamless license renewal process. In the coming weeks, ICPAS will be hosting an all member webinar with the staff of IDFPR on the renewal process. We will be forwarding more information on the webinar and other licensing tips in the future. You may also wish to access the licensing section of our website for more information.

ELIJAH WATT SELLS AWARD WINNERS

The Illinois Board of Examiners congratulates the following Elijah Watt Sells Award winners:

Charles Lederer
Elizabeth Campbell
Katie Poffenberger
Lora Dust

The Elijah Watt Sells Award is bestowed upon candidates who have obtained a cumulative average score above 95.50 across all four sections of the Uniform CPA Examination, completed testing during the 2014 calendar year and passed all four sections of the Examination on their first attempt.



DEPARTMENT OF FINANCIAL & PROFESSIONAL REGULATION

The Department of Financial and Professional Regulation is the licensing and enforcement agency for approximately 70 professions including public accountants.

Candidates seeking licensure as a Certified Public Accountant must meet educational and examination requirements as well as one year of relevant professional experience prior to applying to the Department for licensure. The Department is also responsible for the enforcement of the profession and the act that it regulates.



ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION REPORT

The Illinois Department of Financial and Professional Regulation, Division of Professional Regulation (Department) regulates licensed certified public accountants (CPAs) and registered CPAs. As set forth in the Illinois Public Accounting Act (Act), the Department no longer issues new registrations as a registered CPA. 225 ILCS 450/4(d). Accordingly, individuals may only obtain a license as a licensed CPA in Illinois.

There are three licensure methods for application as a licensed CPA: (1) acceptance of examination; (2) endorsement; and (3) restoration. In an effort to educate applicants, CPAs, and the public, the following is an explanation of each licensure method.

Acceptance of Examination

If you passed the Uniform Certified Public Accountant Examination (examination) in Illinois, the Department will automatically receive verification of your Illinois CPA certificate from the Illinois Board of Examiners (IBOE). If you passed the examination in another jurisdiction, the Department must receive verification of your CPA certificate from the other jurisdiction showing that you possess qualifications substantially equivalent to Illinois. Contact the jurisdiction where you hold a CPA certificate and have an official statement verifying the requirements you met to receive the CPA certificate in that jurisdiction sent directly to the Department. A Certification by Licensing Agency/Board (CT) must be completed by each jurisdiction in which you have been certified.

As set forth in 225 ILCS 450/14, applicants for a CPA license must have at least one year of full-time experience, or its equivalent, providing any type of service or advice involving the use of accounting, audit, management advisory, financial advisory, tax, consulting skills, or other attestation engagements which may be gained through employment in government, industry, academia, or public practice. The experience must have been gained after completion of the education required to take the examination. A Verification of Employment/Experience (VE-PAE) must be completed by an authorized agent of your employer to document the experience. Please note that the Department does not accept job descriptions as proof of experience.

If your CPA certificate was issued more than 4 years prior to applying for licensure, you must complete the continuing professional education (CPE) reporting form (PA-RF) listing a minimum of 90 hours of CPE obtained within 3 years immediately preceding the application for licensure.

Endorsement

Application by endorsement applies when the original license was issued in another state and that state's requirements were substantially equivalent to Illinois requirements at the time the license was issued.

(Read more on page 5)

DEPARTMENT REPORT (CONTINUED)



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<http://www.ilboa.org/>



A Certification by Licensing Agency/Board (CT) must be completed by your jurisdiction of original licensure. Documentation must show that you possess qualifications substantially equivalent to Illinois. If your qualifications were not substantially equivalent, you must document at least four years of experience in the practice of public accounting within the 10 years preceding the application for licensure. The experience must have been gained after passage of the examination. A Verification of Employment/Experience (VE-PAE) must be completed by an authorized agent of your employer to document the experience. Please note that the Department does not accept job descriptions as proof of experience. The experience must have been gained after completion of the education required to take the examination.

Restoration

Application by restoration applies to those licensed CPAs that have been on inactive status, or in non-renewed status, for 5 or more years. A person seeking restoration of a license must complete and provide satisfactory evidence of 120 hours of CPE, which must have been acquired during the 36 months immediately preceding submission of the application for restoration. Not less than 4 hours of the 120 hours shall be courses covering the subject of professional ethics.

A Certification by Licensing Agency / Board (CT) must be completed by the jurisdictions where you have practiced since your Illinois CPA license expired, if applicable. You must complete a Verification of Employment/Experience (VE-PAE) to verify employment experience since your license expired, if applicable.

Application Fees

Fee payment must be in the form of a check or money order made payable to the Illinois Department of Financial and Professional Regulation. The following fees apply:

Licensure Method	Profession Name & Code	Application Fee
Acceptance of Examination	Licensed CPA (065)	\$120
Endorsement	Licensed CPA (065)	\$120
Restoration from Inactive Status	Licensed CPA (065)	\$120
Restoration other than Inactive Status	Licensed CPA (065)	\$50 + all lapsed renewal fees not to exceed \$260

Please direct all inquiries relating to these matters to the Department at 320 West Washington Street, 3rd Floor, Springfield, Illinois 62786, (800) 560-6420, Fax (217) 782-3390. Additional information is available at <http://www.idfpr.com>.

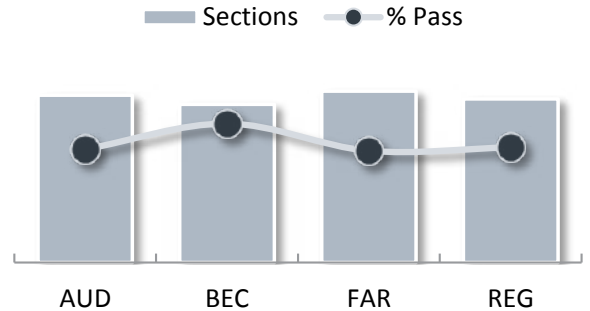


2014 CPA Exam Performance: *All Degrees*

Illinois Institutions

Performance: All FT (First-Time)

	<u>Candidates</u>	<u>Sections</u>	<u>Avg Score</u>	<u>% Pass</u>	<u>Avg Age</u>
Total	2,865	5,951	72.7	54.6%	27.2
AUD	1,509	1,509	72.9	51.2%	27.0
BEC	1,424	1,424	76.2	65.1%	27.3
FAR	1,543	1,543	70.3	50.4%	27.3
REG	1,475	1,475	71.5	52.3%	27.4



Performance: FT (First-Time) Sitting Within 1-year

	<u>Candidates</u>	<u>Sections</u>	<u>Avg Score</u>	<u>% Pass</u>	<u>Avg Age</u>
Total	1,294	3,014	75.0	61.2%	24.8
AUD	823	823	75.5	58.2%	24.7
BEC	660	660	78.5	73.8%	25.0
FAR	827	827	73.5	58.9%	24.8
REG	704	704	72.9	55.5%	24.9

