

Marquette University
e-Publications@Marquette

Accounting Faculty Research and Publications

Accounting, Department of

8-1-2014

A Profile of Top Performers on the Uniform CPA Exam

Michael D. Akers

Marquette University, michael.akers@marquette.edu

Don Giacomino

Marquette University, don.giacomino@marquette.edu

Kelly Courtney

KPMG

Olivia Johnson

University of Iowa

Published version. *The CPA Journal*, Vol. 84, No. 8 (August 2014): 52-57. [Publisher Link](#). © 2014
New York Society of CPAs. Used with permission.



A Profile of Top Performers on the Uniform CPA Exam

Winners of the Elijah Watt Sells Award

By Michael D. Akers, Don E. Giacomino, Courtney Kelly, and Olivia Johnson

The Elijah Watt Sells Award, one of the most prestigious professional awards in the United States, honors top performers on the Uniform CPA Examination. This article provides statistics by state and by gender of past award winners, from the first CPA exam in 1923 through the most recent available exam results for 2012. In addition, it presents a profile of the top performers based on the results of a survey administered by the authors to recent Sells Award winners. Specifically, the survey examined the recipient's educational level, the

amount and type of preparation, and the impact of the award on the winner's career. It is hoped that future candidates and state boards of accountancy will find this information useful and that this discussion will further promote the award's prestige.

The Uniform CPA Examination: Purpose and Structure

An individual must pass the Uniform CPA Examination in order to qualify for licensure as a CPA in any of the 55 U.S. jurisdictions (the 50 states, the Commonwealth of the Northern Mariana

Islands, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands). CPAs are the primary licensed accounting professionals, although some jurisdictions license public accountants (PA) as well. State boards of accountancy in the 55 jurisdictions issue the CPA licenses; there is no national CPA licensure process in the United States. As of February 2012, the exam was also offered in international locations, including Bahrain, Brazil, Japan, Kuwait, Lebanon, and the United Arab Emirates (UAE); during 2012, candidates from 101 countries other than the United States sat for the exam.

The exam was developed from the test once used for admission to membership in the AICPA. In 1917, the AICPA offered the exam for use in the licensure process by boards of accountancy, and three jurisdictions adopted it. It was not until 1952 that the examination was first used in all U.S. jurisdictions. Until the end of 2003, the CPA exam was administered twice per year in the paper-and-pencil format. In April 2004, the computer-based CPA exam launched and the paper-and-pencil examination was discontinued.

The CPA exam currently consists of four sections, which represent a total of 14 hours of testing: Auditing and Attestation (AUD), Business Environment and Concepts (BEC), Financial Accounting and Reporting (FAR), and Regulation (REG). It aims to provide reasonable assurance to boards of accountancy that those who pass the exam possess the level of technical knowledge and the skills necessary for initial licensure in the protection of the public interest. The public interest is protected when only qualified individuals are admitted into the profession.

The exam is one of the “Three Es”—education, examination, and experience—that constitute the requirements for CPA licensure. Of these three requirements, only the CPA exam is uniform across all U.S. jurisdictions; education and experience requirements may vary from one jurisdiction to another. Because candidates for CPA licensure must meet all three requirements, simply passing the CPA exam is not sufficient to qualify for licensure.

The Elijah Watt Sells Award

The AICPA established the Sells Award program in 1923 to recognize

outstanding performance on the CPA exam and to honor Elijah Watt Sells, who was a founding partner in Haskins & Sells, a predecessor to Deloitte & Touche. In 1896, Sells became one of the first individuals to qualify as a CPA in New York State. In addition, he was active in the creation of the AICPA

and served as a member of its governing council.

Between 1924 and 1935, only one Sells Award was given after each exam administration (May and November) to the candidate who received the highest combined scores in passing all four exam sections. Between 1935 and 1977, the two

Who's swinging for the green at your firm?



Join the **New York State Society of CPAs** for our

NEXT GEN
EMPOWERING THE NEXT GENERATION OF CPA PROFESSIONALS

ACCOUNTING CAREER FAIR 2014

Tuesday, Oct. 7, 2014
10 a.m. to 1 p.m.
New York University's
Wasserman Center for Career
Development, in Manhattan.

We believe the Career Fair will provide an excellent opportunity to connect with some of New York's most highly competitive job seekers. **This is a special NYSSCPA members-only event, open exclusively to small and medium-sized firms.**

Your participation at the event is highly essential, as you will come face-to-face with some of the best candidates/professionals in the job market.

Register today to become a firm exhibitor.



For more information or to register, contact Tekecha Morgan, NextGen Manager, at tmorgan@nysscpa.org or call 212-719-8425.

EXHIBIT 1

Sells Awards by Jurisdiction

State	Awards	Awards Percentage	Percentage of U.S. Population	State	Awards	Awards Percentage	Percentage of U.S. Population
Alabama	6	1.2	1.76	Nebraska	2	0.4	0.76
Alaska	3	0.6	0.16	Nevada	1	0.2	0.41
Arizona	6	1.2	1.17	New Hampshire	2	0.4	0.39
Arkansas	0	0.0	1.10	New Jersey	6	1.2	3.15
California	35	6.8	9.54	New Mexico	1	0.2	0.55
Colorado	16	3.1	1.21	New York	23	4.5	8.18
Connecticut	5	1.0	1.31	North Carolina	9	1.7	2.71
Delaware	2	0.4	0.25	North Dakota	2	0.4	0.32
Florida	21	4.1	3.90	Ohio	15	2.9	4.70
Georgia	12	2.3	2.59	Oklahoma	6	1.2	1.39
Hawaii	5	1.0	0.39	Oregon	10	1.9	1.07
Idaho	0	0.0	0.41	Pennsylvania	9	1.7	5.64
Illinois	89	17.3	5.1	Puerto Rico	0	0	1.33
Indiana	12	2.3	2.39	Rhode Island	1	0.2	0.44
Iowa	16	3.1	1.0	South Carolina	3	0.6	1.41
Kansas	5	1.0	0.9	South Dakota	0	0.0	0.36
Kentucky	7	1.4	1.4	Tennessee	5	1.0	2.05
Louisiana	4	0.8	1.5	Texas	38	7.4	6.25
Maine	3	0.6	0.4	Utah	5	1.0	0.63
Maryland	9	1.7	1.9	Vermont	1	0.2	0.24
Massachusetts	18	3.5	2.0	Virginia	12	2.3	2.34
Michigan	16	3.1	3.2	Washington	13	2.5	1.79
Minnesota	17	3.3	1.7	Washington, D.C.	5	1.0	0.33
Mississippi	3	0.6	1.0	West Virginia	1	0.0	0.92
Missouri	12	2.3	1.9	Wisconsin	21	4.1	2.1
Montana	3	0.6	0.3	Wyoming	0	0.0	0.19
Total Winners					515		

Note: Population figures are for the average population for each decade from 1920 to 2010. These results may not be representative over the entire time period, due to the fact that there has been a sharp increase in Sells Award winners since 2004.

highest scorers received gold and silver medals. Beginning in May 1978, a bronze medal was also awarded to the third highest scorer. After November 2003, however, the medals were no longer awarded, and starting in 2004, awardees were not ranked but, rather, were listed in alphabetical order.

The current award criteria were established following the introduction of a revised Uniform CPA Examination in 2011. The 2011 award was presented to candidates who obtained a cumulative average score above 95.50 across all four exam sections, completed testing during the previous calendar year, and passed all four exam sections on their first attempt. The authors would encourage the AICPA to consider recognizing any candidate who obtained the 95.50 cumulative average across all four sections on the first sitting, even if all four parts were not completed in the same calendar year. (Past award winners and jurisdictions for 1924 through 2012 can be found at <http://www.aicpa.org/BECOMEACPA/CPAEXAM/ExamOverview/DownloadableDocuments/sellswinner.pdf>; the AICPA archives do not contain award records for examinations administered in 1923, 1927, and 1929 through 1932.)

State-by-State Comparison

Exhibit 1 presents the results by state. Candidates from Illinois have far surpassed candidates of all other states, with 89 Sells Award winners. It is followed by Texas (38), California (35), New York (23), Wisconsin (21), and Florida (21). Four states—Nevada, New Mexico, Rhode Island, and Vermont—had only one winner. Five states—Arkansas, Idaho, South Dakota, West Virginia, and Wyoming—have not had anyone win the award. From 1940 through 1977, when gold and silver medals were given for exams in May and November, Illinois candidates won both medals six times (May 1940, November 1941, May 1943, May 1947, May 1968, November 1977) and candidates from California (May 1967) and Pennsylvania (November 1968) won both medals once.

Because the number of candidates sitting for the exam is impacted by a state's population, the authors examined the rela-

tionship between the percentage of winners and the state's percentage of total population; thus, *Exhibit 1* shows the percentage of Sells Awards earned by state, as well as each state's percentage of the total U.S. population, using census data from 1910 to 2010. An examination of *Exhibit 1* reveals those states where the percentage of winners is higher than would have been anticipated, based on the state's percentage of total population, and just the opposite for other states. For example, Illinois has 5.1% of the population, but 18% of the awards. The opposite relationship exists for California (9.54% of the U.S. population, but 7% of the award winners), New York (8.18%

EXHIBIT 2 Academic Background

Undergraduate GPA	Number of Respondents (Percentage)
Below 3.00	0 (0%)
3.00–3.25	2 (7%)
3.25–3.50	1 (4%)
3.50–3.75	1 (4%)
3.75–4.00	<u>23</u> (85%)
Total	<u>27</u> (100%)
Graduate Degree	
Yes	17 (63%)
No	<u>10</u> (37%)
Total	<u>27</u> (100%)
Graduate GPA	
Below 3.00	0 (0%)
3.00–3.25	0 (7%)
3.25–3.50	0 (4%)
3.50–3.75	0 (4%)
3.75–4.00	<u>17</u> (85%)
Total	<u>17</u> (100%)

EXHIBIT 3

Preparation for the CPA Exam

Preparation	Number of Respondents (Percentage)
Took CPA review course	26 (96%)
Time studied for CPA exam	
Less than 10 hours per week	0 (0%)
10 hours per week	4 (15%)
20 hours per week	7 (26%)
30 hours per week	5 (19%)
More than 30 hours per week	<u>11</u> (41%)
Total	<u>27</u> (100%)
Preparing for FAR	
0–3 weeks	17 (63%)
3–6 weeks	7 (26%)
More than 6 weeks	<u>3</u> (11%)
Total	<u>27</u> (100%)
Preparing for BEC	
0–3 weeks	17 (63%)
3–6 weeks	1 (4%)
More than 6 weeks	<u>9</u> (33%)
Total	<u>27</u> (100%)
Preparing for REG	
0–3 weeks	17 (63%)
3–6 weeks	4 (15%)
More than 6 weeks	<u>6</u> (22%)
Total	<u>27</u> (100%)
Preparing for AUD	
0–3 weeks	15 (56%)
3–6 weeks	2 (7%)
More than 6 weeks	<u>10</u> (37%)
Total	<u>27</u> (100%)

of the population, but 4.4% of the awards), and Pennsylvania (5.64% of the population, but 1.9% of the awards).

Gender Results

Although it took many years for the number of women entering the accounting profession to approximate the number of men, it didn't take long for women to win the Sells Award. In 1926, Mary E. Wilcox (Mass.) was the first female Sells Award winner. After 33 years with no female winners, Ellen Louise McClarin Melohn (Ala.) earned the award. During the first 54 years

(1924–1977), only five women earned the award; however, during the ensuing 34 years, 118 women were Sells Award winners. The relatively low number of female candidates during the first four or five decades of the exam can, in part, explain these results. But looking at the

number of candidates by gender since 1978, one can observe a large increase in the percentage of women who earned the Sells Award. Since 1978, women represented at least 50% of the winners 12 times. For 9 of these 12 years, the majority of winners were female.

EXHIBIT 4 Professional Experience

Pre-Exam Work Experience	Number of Respondents (Percentage)
None	13 (48%)
Less than 1 year	8 (30%)
2–3 years	1 (4%)
4–5 years	2 (7%)
More than 5 years	3 (11%)
Total	<u>27</u> (100%)
First position after graduation	
Public accounting	24 (89%)
Private accounting	2 (7%)
Governmental accounting	0 (0%)
Other	1 (4%)
Total	<u>27</u> (100%)
Current position	
Public accounting	21 (78%)
Private accounting	4 (15%)
Governmental accounting	0 (0%)
Other	2 (7%)
Total	<u>27</u> (100%)

EXHIBIT 5 Impact of Sells Award

Impact	Number of Respondents (Percentage)
Was the award of benefit to respondents' careers?	
Yes (see summary of comments below)	18 (67%)
No	9 (33%)
Total	<u>27</u> (100%)
Were bosses' expectations higher?	
Yes	12 (44%)
No	15 (56%)
Total	<u>27</u> (100%)
Did the winner receive a monetary bonus?	
Yes	16 (59%)
No	11 (41%)
Total	<u>27</u> (100%)
Amount of bonus received for award:	
Less than \$3,000	4 (25%)
\$3,000–5,000	2 (13%)
\$5,000–\$7,000	1 (6%)
\$7,000–\$10,000	0 (0%)
More than \$10,000	9 (56%)
Total	<u>16</u> (100%)
Comments	
Recognition within the firm (9 comments)	Probably will benefit in the future; not very much now (1)
More respect from peers (5)	Initial credibility for me to build upon (1)
Received a bonus (4)	Exposure to leaders in my firm (1)
More opportunities more quickly (3)	Consulted by my bosses (1)
Helped in interviews (2)	Tougher assignments (1)
Stand out from the other new staff (2)	Promoted early (1)
Reputation elevated (2)	Selling point in getting investors to trust me (1)
In a larger firm, provides good name recognition (1)	

Survey of Recent Sells Award Winners

The purpose of the authors' survey was to obtain specific information from the awardees in order to develop a profile of Sells Award winners. Recent award winners were asked about their academic background, professional experience, the amount and type of preparation for the exam, and how the Sells Award has affected their career.

Because the AICPA and NASBA do not provide winners' contact information or institutions, the authors had to use a variety of sources (i.e., white pages on the web, Facebook, LinkedIn) to identify the appropriate individuals. The authors hoped to obtain data on a large number of recent winners (2004–2012) for two reasons: First, because of the changes (2004) in the criteria for selecting winners, there has been a sharp increase in the number of Sells Awards. More than a quarter of all Sells Award winners (148 of 515, or 28.74%) have been recognized during the most recent nine years. Second, Becker provides the winners' names, states, and employers (at the time of the announcement), and a large majority of those winners had completed the Becker CPA Review.

Through the search process, the authors found e-mail addresses on LinkedIn (the most professional social media platform) for 91 winners; however, they were only able to connect with 36 winners. Of these, 27 completed the e-mailed survey, a response rate of 75%. The survey solicited responses for academic background (*Exhibit 2*), professional experience (*Exhibit 3*), amount of preparation for the exam (*Exhibit 4*), and how the Sells Award has affected their career (*Exhibit 5*).

Academic background. All respondents had an undergraduate degree, and the majority (17) also earned a graduate degree. In addition, 85% earned an undergraduate GPA of 3.75 or better, and all respondents earned higher than a 3.0. The authors draw two observations from this data: 1) graduate education is important and 2) the winners have been very successful in their academic performance.

Exam preparation. The importance of completing a CPA review program in preparation for the CPA exam is obvious. Almost all (26) respondents participated in a CPA review course. All but one of the

respondents completed the Becker CPA Review, and three respondents completed an additional review (two with Wiley and one with Roger CPA). Regarding preparation, 41% of respondents reported that they studied at least 20 hours per week, while 40% of respondents reported studying more than 30 hours per week. Interestingly, 63% spent zero to three weeks studying for the FAR, BEC, and REG sections, whereas 56% spent this same amount of time studying for the AUD section. The greatest amount of preparation (more than six weeks) varied by sec-

ing the Sells Award. (A summary of other comments is shown in *Exhibit 5*.)

Constructing a Profile

This discussion focused on winners of the Elijah Watt Sells Award for outstanding performance on the CPA exam, providing data by state and by gender for the period from 1924 through 2012. In addition, it related the results of the author's survey of recent Sells Award winners. The results suggest the following profile of Sells Award winners: completed a graduate degree (65%); earned very high grade-point

Most winners said the award has benefited their career, with 59% receiving a bonus.

tion, ranging from 11% for FAR to 37% for AUD. Findings show that the Sells winners spent more time studying for FAR and REG and less time for BEC and AUD.

Professional experience. Almost half of the respondents (48%) had no accounting experience before completing the exam; 78% had less than one year of experience. It is interesting to note that 18% had four or more years of professional experience. A large majority (89%) started their careers in public accounting, and most (78%) are still employed in that area.

Effect on career. Most winners (67%) said the award has benefited their career, with 59% receiving a bonus. While the bonuses ranged from a low of less than \$3,000, the majority (56%) exceeded \$10,000. The most frequently mentioned nonfinancial benefit was recognition within the firm by peers and partners. Just under half (44%) said that their bosses' expectations of them are higher than of non-award winners. None of the respondents' comments indicated any concern regarding these higher expectations, and none of the respondents made any comments that suggested negative results from earn-

ing the Sells Award. (A summary of other comments is shown in *Exhibit 5*.)

averages; started and still continue their careers in public accounting; completed the Becker CPA Review (96%); studied 30 or more hours per week for three to six weeks in preparation for each section of the exam; and received positive benefits from earning the award, primarily bonuses and recognition within their firm. The relatively low amount of professional experience of the respondents sends a signal to educators to encourage their students to begin taking the exam right away; they most likely already possess the knowledge needed to succeed. □

Michael D. Akers, PhD, CPA, CBM, CMA, CFE, CIA, is the Charles T. Horngren Professor and Department of Accounting chair, and Don E. Giacomino, DBA, CPA, is a professor and Flynn Chair holder, both in the college of business administration, Marquette University, Milwaukee, Wis. Courtney Kelly, MS, is an associate in audit at KPMG. Olivia Johnson is a PhD candidate at the University of Iowa, Iowa City, Iowa.