

## Business and Financial Operations

### Accountants and Auditors

**Accountants and Auditors** help to ensure that firms are run efficiently, that public records are kept accurately, and taxes are paid properly and on time. They analyze and communicate financial information for various entities such as companies, individual clients, and Federal, State, and local governments. Beyond carrying out the fundamental tasks of the occupation - providing information to clients by preparing, analyzing, and verifying financial documents - many accountants also offer budget analysis, financial and investment planning, information technology consulting, and limited legal services. Specific job duties vary widely among the four major fields of accounting and auditing: public accounting, management accounting, government accounting, and internal auditing:

- *Public accountants* perform a broad range of accounting, auditing, tax, and consulting activities for their clients, which may be corporations, governments, nonprofit organizations, or individuals.
- *Management accountants* record and analyze the financial information of the companies for which they work. Among their other responsibilities are budgeting, performance evaluation, cost management, and asset management.
- *Government accountants* and auditors work in the public sector, maintaining and examining the records of government agencies and auditing private businesses and individuals whose activities are subject to government regulations or taxation.
- *Internal auditors* verify the effectiveness of their organization's internal controls and check for mismanagement, waste, or fraud.

Most accountants and auditors work in a typical office setting. Some may be able to do part of their work at home. Accountants and auditors employed by public accounting firms, government agencies, and organizations with multiple locations may travel frequently to perform audits at branches, clients' places of business, or government facilities. Almost half of all accountants and auditors worked a standard 40-hour week in 2008, but many worked longer hours, particularly if they are self-employed and have numerous clients. Tax specialists often work long hours during the tax season.

### Education/Training

#### *How to Obtain:*

Possessing a bachelor's degree or master's program in accounting or a related field is necessary for entry as an accountant or auditor. Some employers prefer applicants with

a master's degree in accounting (MAcc), or with a master's degree in business administration (MBA) with a concentration in accounting.

In addition, some accountants and auditors may opt to get a Certified Public Accountant (CPA) credential. Any accountant or auditor filing a report the Securities and Exchange Commission (SEC) is required by law to be a Certified Public Accountant. Requirement for becoming a CPA vary by state but candidates generally must:

- Complete 150 credit hours of accounting coursework which generally involves completing a bachelor's degree in accounting plus some graduate course work in either a MAcc or an MBA with an accounting focus.
- Passing scores in all four parts of the Uniform CPA Examination prepared by the American Institute of Certified Public Accountants (AICPA).

Requirements for becoming a CPA in New York State:

- Passing scores in all four parts of the Uniform CPA Examination
- Meet Education requirements:
  - a) Earn a bachelor's or higher degree with 120 hours, including, but not limited to, 24 hours in accounting, 21 hours in business and accounting electives, and 60 hours in liberal arts and sciences **OR**
  - b) Earn a bachelor's or higher degree with 150 hours, including, but not limited to, 33 hours in accounting (financial accounting theory and principles, managerial accounting, and others), 36 hours in general business electives, and 60 hours in liberal arts and sciences **OR**
  - c) Graduate students must maintain a B average or better; undergrads a C or better
  - d) Individuals that do not possess a bachelor's degree but do have 15 years experience in accounting under certain circumstances may be allowed to earn the CPA credential
- Applicants must demonstrate two years of qualifying experience in the practice of accountancy, or a satisfactory equivalent thereof as determined by the state board of accountancy. With 150 hours of education under option 2 above, the experience requirement can be reduced to one year. A minimum of 75 percent of that time must be in the areas of auditing services and financial statement preparation; at least one-half of the time must consist of auditing services alone. Full-time employment is considered to be a five-day, 35-to-40-hour week, excluding overtime. A CPA or a public accountant who supervised the applicant must attest to the candidate's experience.

The Uniform CPA Examination is required by all 50 states and the District of Columbia in order to become a CPA. The examination is difficult and less than one-half of those who take it each year pass every part on the first try. Candidates are not required to

pass all four parts at once but must pass all of them within 18 months of when they passed the first part.

CPAs must complete a certain amount of continuing education before their licenses can be renewed.

*More Information on Licensing and Certification:*

- Certified Public Accountant, American Institute of Certified Public Accountants:  
<http://www.aicpa.org/Becoming+a+CPA/CPA+Candidates+and+Students/The+CPA+Exam.htm>
- New York Licensing Information:  
<http://www.nysscpa.org/trustedprof/1105a/tp12.htm>
- National Association of State Boards of Accountancy:  
<http://www.nasba.org/nasbaweb/NASBAWeb.nsf/wpecf?openform&stateabbr=ev=NY>

*Average Costs:*

Tuition and fees for a master's degree earned at an accredited public university in an area such as business administration or accounting costs an average of \$16,000\* per year. Completion time is generally 2 years.

Certified Public Accountant: The cost of this exam varies by state. In New York, the application fee is \$125.00, and the entire exam costs \$823.00 (although the cost is usually split in sections), plus the cost of any exam study aids.

Costs of continuing education vary.

\* Note: This figure does not include federal, state, or university financial aid resources such as grants, fellowships, scholarships or work study. It also does not include vocational rehabilitation or other state resources available specifically to people with disabilities. The out-of-pocket expense may be significantly less.