

# ACTION • LETTER

An independent accrediting organization affiliated with the National Society of Accountants

## PRESIDENT'S MESSAGE

### 1,000 Questions

By Peggy Johnson, CPA, EA, ABA, ATA, ECS

Sixteen dedicated volunteers spent their first weekend of 2008 in Alexandria, VA, working on a special task force for ACAT. The goal – to help ACAT determine the “cut score” for each administration of the ABA (Accredited Business Accountant) examination.

The passing score for the ABA exam is 70. However, this score is not necessarily a straightforward percentage equal to 70%. When the questions are randomly selected from the test bank for each exam, some exams may have more questions that are relatively easy, and other exams may have more questions that are relatively difficult. To compensate for these differences in difficulty, each exam is given a “cut score”, which is another way of saying that a scoring adjustment is made to the raw percentage scores, so that no ABA candidate is disadvantaged by the random selection of the test questions.

In order to determine the “cut score” for an exam, it is necessary to assess each question for difficulty. This was the task assigned to the special task force. Over the course of three days, these volunteers received training in the assessment process, and then proceeded to review and rate the level of difficulty of 1000 questions from ACAT’s test bank.

The task force represented a cross section of ABA credential holders – some practitioners, some educators, some high scorers, some not-so-high, some who are recent ABA’s, and others who have been in practice a long time. Groups of questions were rated by each task force member, and those ratings were then entered into a common database. If the deviation among the ratings of the various

April 2008

## Consumer Representative Named to Board

The first public member of the ACAT Board has been named. He is James Finch, Senior Vice President and Senior Commercial Loan Officer for Arvest Bank in Oklahoma City, OK. This is a new type of director for ACAT. The purpose of this Director position is to act as a representative for consumers in the Board’s deliberations. The ACAT Bylaws state that this member shall not have worked in the field of accounting or taxation, been a member of NSA or held any ACAT credentials. It is recommended that this Board member be experienced in public advocacy.

## NSA Offering Ethics Webinar

Short a few CPEs in ethics? The National Society of Accountants is offering a webinar on ethics: *Ethics: Insider Secrets to Avoid Malpractice and Huge Penalties*. The two-hour course is scheduled for Thursday, May 22 from 2:00 to 4:00 pm EDT (11:00 am PDT). Registrants qualify for 2 CPEs in Ethics for ACAT. The NSA member cost is \$70. For more information or to register, go to: [www.nsacct.org/sessions.php?id=1221](http://www.nsacct.org/sessions.php?id=1221)

individuals was large, the question was discussed to see if agreement could be reached as to the difficulty of the question. These discussions were sometimes very lively, as the task force members attempted to assimilate their various viewpoints. By the end of the third day, the task force had successfully completed their task, and difficulty ratings had been assigned to 1,000 questions.

Frankly, I did not expect to describe this meeting as “fun.” After all, reviewing 1,000 questions in three days is like taking the ABA exam five times in three days! But with the lively discussions and upbeat attitudes of this special group of volunteers, I can honestly say that I had fun, and many of the volunteers expressed the same feeling.

With the development of new exams for the tax credentials (ATP & ATA), and the continuous process of adding questions to the test bank, more meetings of this type will need to be held. If you are interested in participating in a future task force, please email ACAT ([info@acatcredentials.org](mailto:info@acatcredentials.org)) and let us know. Our volunteers are greatly appreciated – we couldn’t do it without them!

## **An Important Envelope on Its Way to You**

Watch your mail, ACAT is sending you your renewal notice for 2008–2009. This year’s statement serves two purposes: reporting the CPEs you’ve earned in the last three years and paying your annual renewal fee.

### **Reporting Your CPEs**

This year’s renewal statement is particularly important as you must return part of it certifying that you earned the required CPEs for your credential(s).

One of the three requirements of holding an ACAT credential is staying abreast of changes and developments in the accounting field. (The other two are paying an annual renewal fee and adhering to the Code of Ethics.)

CPEs are reported to ACAT every three years. This reporting period was established as long enough to allow busy accountants to reach the CPE required as many programs are only offered once a year and short enough that the certificants must continually seek out relevant courses to take.

You must sign the renewal form attesting that you have earned the required CPE. A random sample of respondents will be selected and asked to provide documentation of the

## **Results of Recent ABA / ATA Examinations**

November/December 2007

84 Test Registrants

High Scorers:

Sheree L. Newmeyer, Dallas, GA

Kimberly E. Underhill, Traverse City, MI

Earned ABA: 12

Earned ATP: 0

Pass Practice 1: 0

Pass Practice 2: 3

Failed Practice 1 & 2: 30

Failed ATP: 7

Failed Practice 1: 3

Failed Practice 2: 6

Did not take

the exam: 25

### **Accredited Business Accountants**

Vanessa J. Cook, Dallas, GA

Rosanne M. Crownover, Waynesville, MO

Dorothy M. Kopp, Plum City, WI

Sheree L. Newmeyer Dallas GA

Ming-Feng Nguyen, Sugar Land, TX

Ruth L. Speh, Maynard, MN

Kimberly E. Underhill, Traverse City, MI

Debra L. Wyland, Pensacola, FL

Tami S. Livingston, Brighton, MI

Isabel Cromwell, Falls Church, VA

Brian A. Johnson, Phoenix, AZ

Jill C. Nelson, Gary, MN

Catherine A. Richard, Boylston, MA

### **Passed Practice 2**

Melissa R. Cox-Dustin, Albra, IA

Sandra J. Fehn, Annandale, MN

Kimberly A. Fischer, Waterloo, IA

CPE they earned.

ACAT's website has more information on CPEs and CPE requirements at:  
[www.acatcredentials.org/cpe.html](http://www.acatcredentials.org/cpe.html)

### **Renewal Fees Increased**

When you get your renewal statement, you'll notice a small fee increase. To help offset increasing expenses, the fee for a single credential has been raised a modest \$5 from \$55 to \$60. The fee for two credentials has gone from \$88 to \$100; three credentials \$110 to \$125 and four credentials, \$135 to \$150.

### **ABA Cram Course to be Offered**

NSA is holding an ABA Cram Course just prior to this year's Annual Meeting in Kansas City. The two-day course will be offered August 25 & 26. Then the ABA test will be given on August 27. The fee is \$345 for early bird registrants and \$445 for those registering after July 1. Affiliates members will be treated as NSA members and receive the member price.

Registrants will receive the ABA Prep Book in CD format and the ACAT Study Guide to begin studying for the examination. The registration fee also includes ABA testing fee, preview self-test, breaks during the Cram Course. In all, registrants realize a savings of \$235 over the cost of the items individually. More information and registration forms are available at [www.nsaact.org](http://www.nsaact.org).

### **ABA Exam in August & September**

The ACAT Board has approved a third test session for the Accredited Business Accountant examination. To be offered August 20 to September 10, this is the first time that ACAT has held the ABA exam more than twice a year. The regular test windows of November/December and May/June will continue. The examination will be the same quality as those given at other times. The ACAT Board felt potential credential holders had more time in the summer months to prepare for the exam. Contact [info@acatcredentials.org](mailto:info@acatcredentials.org) for more information.

### **New ABA Brochure Explains Credential**

ACAT has issued a new brochure: *Making a World of Difference in Your Career* that is a handbook for candidates for the Accredited Business Accountant examination. The 16-page manual explains why the credential is important, what the exam covers and how questions were developed, how the test is administered and what credential holders must do to maintain their ABA credential. Free copies may be obtained by emailing [info@acatcredentials.org](mailto:info@acatcredentials.org). ASOs may order bulk copies.

To ensure delivery of ACAT's Action News,  
please add 'info@acatcredentials.org' to your email address book.  
If you are still having problems receiving our newsletter,  
see our whitelisting page for more details: <http://www.commpartners.com/website/white-listing.htm>

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