



AICPA[®]



2017 Trends

in the **supply** of accounting graduates and
the **demand** for public accounting recruits

By the Association of International Certified Professional Accountants

ARC Research, an SVC Company

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A message from the AICPA's Academic-in-Residence



Yvonne Hinson, CPA, CGMA, Ph.D.

Academic-in-Residence, Senior Director,
Academic & Student Engagement
Association of International Certified
Professional Accountants

**PROJECTED
ACCOUNTING
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IN 2014-15.**

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Thank you for your interest in the *2017 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits* report. This report, published since 1971, identifies key trends in U.S. accounting enrollments and graduates as well as hiring of new graduates in the public accounting sector. This year's *Trends* provides statistical projections and respondent expectations based upon university responses for the 2015-16 academic year and firm responses for the 2016 calendar year.

The responses received provide us with insight into several interesting trends you'll find in this year's report. Those of us who work in or with universities and firms will not be surprised by the results, as they reflect several environmental trends that have influenced the changes we see.

From the supply perspective, the number of students entering accounting programs hasn't changed. Projected accounting enrollment is still at an all-time high, with no overall change since the record levels seen in 2014-15. We have seen a shift, however, in the proportion of bachelor's versus master's enrollments. Projected master's enrollments have declined, returning to pre-2014 levels. We saw an influx of master's enrollments and graduates in the last several *Trends* reports, which may have been influenced by the Great Recession. The CPA profession has been known to have significantly lower rates of unemployment than the economy as a whole, even during tough economic times. In my experience as an educator, these periods of uncertainty often drive a greater number of career changers and traditional students to seek out the stability that a career in accounting affords.

Today, there are many reasons students may not be pursuing master's degrees at the same scale as previous years. The rising cost of college tuition may be compelling students to seek lower-cost alternatives to reach their state's hourly requirements for CPA licensure.

**WHEN VIEWED
HOLISTICALLY,
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FIRM DEMAND
IS STILL IN
ALIGNMENT
WITH THE
SUPPLY OF
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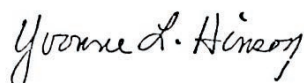
At the same time, we have seen a 13% increase in the number of new CPA Exam candidates between 2015 and 2016. This increase is due to the new exam launch in April 2017, the efforts of state societies and the AICPA to encourage exam takers, and the efforts of the firms to encourage individuals to take the exam, aligned with our research that shows encouragement as a key driver to taking the exam.

Public accounting firm hiring projections have slowed after several years of growth. As technology advances, we expect that the largest firms may not need to hire as many new accounting graduates as entry-level employees. We are also seeing that university accounting programs are starting to incorporate more data analytics to keep up with the pace of technology change in the profession. For example, the KPMG Master of Accounting with Data and Analytics Program is one of many data-focused programs you will see launch in the next few years.

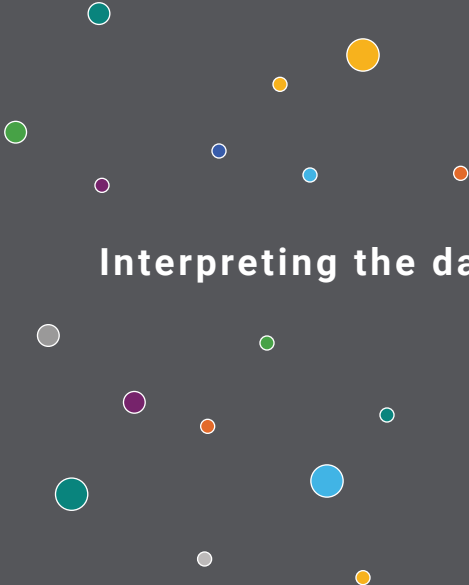
When viewed holistically, projected firm demand is still in alignment with the supply of accounting graduates in the U.S. In addition, there are many opportunities for accounting graduates in business and industry.

We are very appreciative of the universities and firms that took the time to participate in this long-standing research initiative, as it provides essential insight to our many stakeholders and interested parties within the accounting profession. The AICPA is laser-focused on the CPA pipeline, with a commitment to profession-wide initiatives that attract, inspire and engage the next generation of CPAs. Together, we will continue to make joining the accounting profession a great career choice.

Thank you,



Yvonne Hinson, CPA, CGMA, Ph.D.



Interpreting the data

The *2017 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits* report includes both statistical projections and descriptive statistics.

The *Trends* report is broken down into three major reporting sections: **trends in supply**, **trends in demand**, and **firm demographics**. There is also a section that reports **CPA Exam candidate** data, as well as an **appendix** that contains survey methodology and endnotes containing any changes or considerations for specific data.

The data presented for overall numbers of enrollments, graduates, and hires are based on statistical projections. These projections are calculated by creating a model that is meant to predict population values based on data collected in the current survey cycle. This data should be used to look at the overall trends in the reporting areas, rather than taken as a statement of exact values.

The statistical models for the 2017 *Trends* report were developed and implemented by a different research firm than in previous reports. Thus, the predictive models used for projections are comparable, but not identical, to previous models.

Demographics and population breakdowns for enrollments, graduates, new hires, and firm demographics are descriptive statistics. The data received from respondents were weighted (based on variables such as faculty size, number of employed CPAs, etc.) to represent the total population. Demographic data by firm size are unavailable for this period due to insufficient sample sizes in several firm size categories.

All trends data presented in the report include only data that are comparable. In some instances, data from previous reports were recalculated for comparability purposes and are marked with endnotes. Other changes or considerations are also endnoted within the report and can be examined in the methodology section of the appendix.



Please contact us at
trends@aicpa.org
with any questions
or feedback as we
strive to make the
information in these
surveys relevant
to your needs.

Key insights



Total projected accounting enrollments stayed constant with the record level seen in 2014-15. Bachelor's enrollments increased by 5%, but decreases in other degree types led to no overall change in total enrollment between 2014-15 and 2015-16. Thus, the total number of enrollees beginning in the pipeline has not changed, but the mix of types of enrollees has shifted since 2014-15. Diversity in bachelor's and master's in accounting enrollees increased in the 2015-16 academic year, as universities reported increases of 2-4 percentage points in Asian/Pacific Islander, Black/African-American, and Hispanic/Latino enrollees.



Projected accounting bachelor's graduates trended upward in the 2015-16 academic year after a dip in 2013-14, but a decrease in projected accounting master's graduates led to a slight decline in overall degrees awarded. The proportions of Asian/Pacific Islander, Black/African-American and Hispanic/Latino graduates showed increases over the last two reporting cycles.



In 2016, hiring of new accounting graduates slowed 19% after reaching historic highs in the previous four years. New hires assigned to taxation increased by 9 percentage points and assignment to accounting/auditing increased by 5 percentage points. The available responses for areas of assignment were expanded this year to more accurately reflect the specialized placement areas for new graduates. This change may have an impact on year-over-year comparisons of these trends.



Future hiring expectations continue to be positive, especially among the largest firms. 16 of the 20 responding firms in the largest size category indicated that they would be hiring the same number or more accounting graduates in 2017. Of firms that hired 1 or more employees in 2016, 59% expect to hire the same number of employees or more. Eighty-eight percent of all U.S. CPA firms expect to have the same number or more CPAs on staff in 2017.



The number of new CPA Examination candidates increased 13% between 2015 and 2016. The number of CPA Exam candidates who passed their 4th section of the exam increased 7% between 2015 and 2016.

Note: The statistical analyses for the *Trends* report were performed by a different research firm than in previous periods. The models used for projections are comparable, but not identical, to previous models. All trends data presented in the report includes only data that are comparable. In some instances, data from previous reports were recalculated for comparability purposes and are marked with endnotes. These and other changes and considerations are also endnoted within the report or can be examined in the methodology section of the appendix.

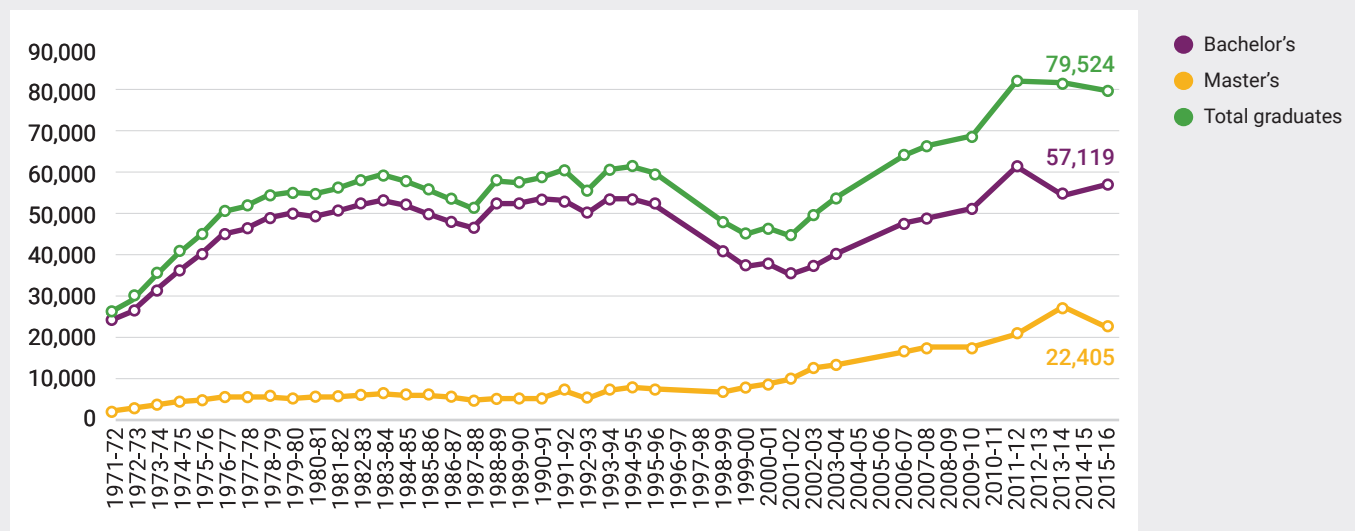
Summary

1.1. ACCOUNTING ENROLLMENT BY PROGRAM / 1993-2016

	Bachelor's	Master's in Accounting	MBA Accounting	Master's in Taxation	Ph.D.	Total
1993-94	189,863	10,114	3,398	5,942	1,002	210,319
1994-95	192,870	10,010	3,510	6,510	870	213,770
1995-96	174,010	9,430	3,360	4,760	770	192,330
1998-99	134,050	8,620	3,770	2,600	770	149,810
1999-00	127,960	9,455	2,445	3,130	680	143,670
2000-01	134,775	10,375	4,000	2,395	800	152,345
2001-02	133,435	12,565	4,065	3,555	890	154,510
2002-03	141,175	17,540	5,270	3,550	1,085	168,620
2003-04	142,735	18,795	4,030	3,595	955	170,110
2006-07	173,299	21,253	4,482	3,239	1,095	203,368
2007-08	181,075	24,065	4,166	2,305	1,224	212,835
2009-10	187,534	29,464	5,100	2,822	1,188	226,108
2011-12	201,570	29,648	5,132	2,840	1,189	240,379
2014-15	207,071	39,641	3,107	2,068	1,195	253,082
2015-16	216,482	29,429	3,014	3,177	946	253,048

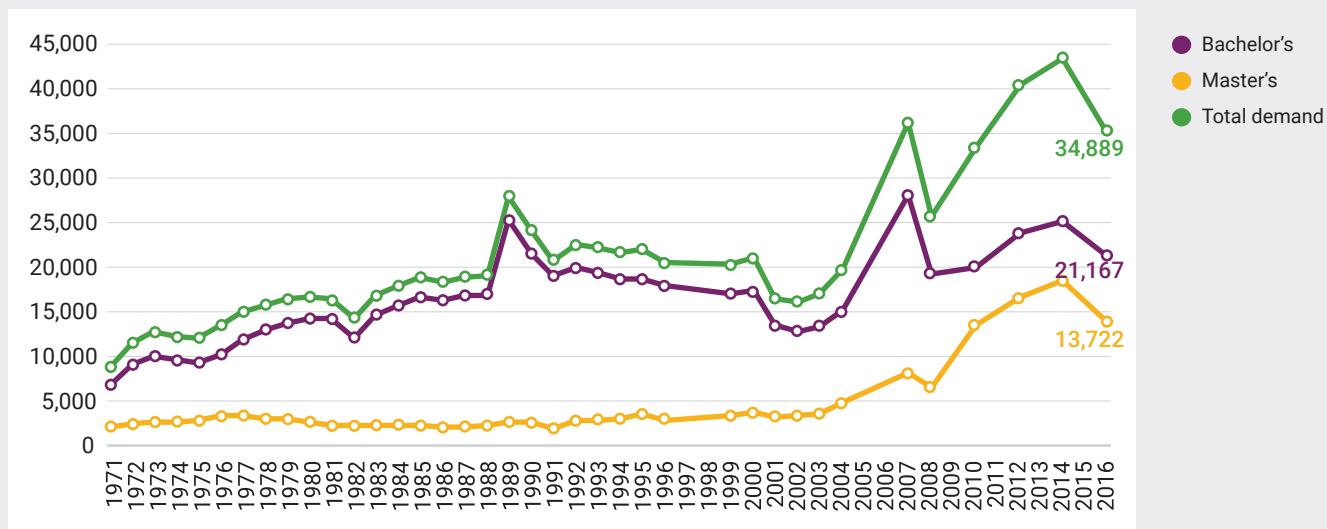
As a whole, there was no change in total projected accounting enrollment between 2014-15 and 2015-16, and total projected accounting enrollment is still at record high levels. (See notes a, b, and k on page 34)

1.2. BACHELOR'S AND MASTER'S IN ACCOUNTING DEGREES AWARDED / 1971-2016



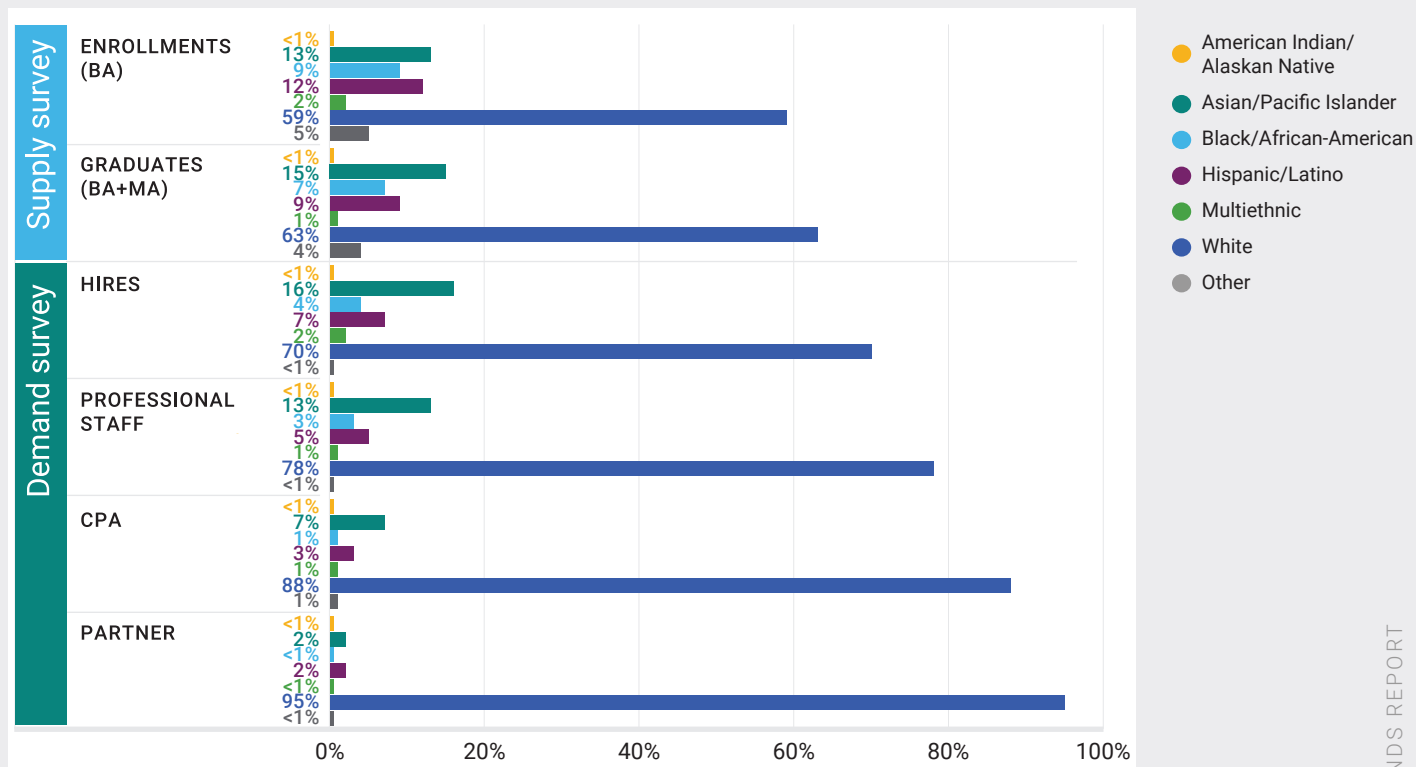
Projected bachelor's degrees awarded in accounting are on the rise in 2015-16 after a dip in 2013-14, but a decrease in projected master's degrees awarded from accounting programs led to a slight decline overall. (See note a on page 34)

1.3 NEW GRADUATES HIRED BY U.S. CPA FIRMS / 1971-2016



Hiring of new accounting graduates by U.S. CPA firms slowed in 2016 after historic highs in the previous four years. The numerical decline in hiring of master's graduates mirrors the decline in master's graduates. (See note c on page 34)

1.4. DIVERSITY IN THE CPA PROFESSION / 2016



This graph shows the 2015-16 race/ethnicity data at each major point in the CPA education and public accounting career path. Total nonwhite populations make up a greater percentage of the beginning stages of the pipeline. (Due to rounding, these data may not equal 100%)

Trends in the **supply** of accounting graduates

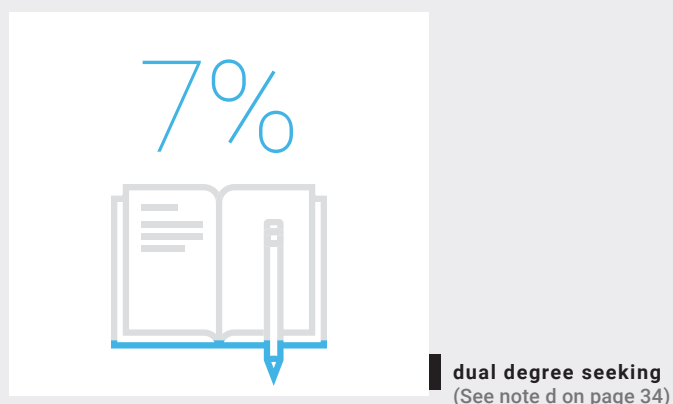
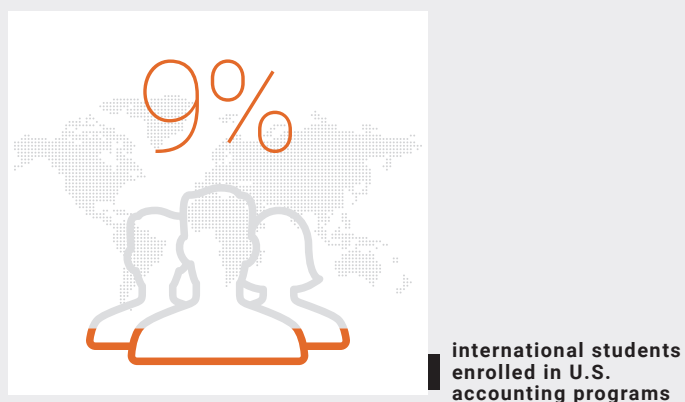
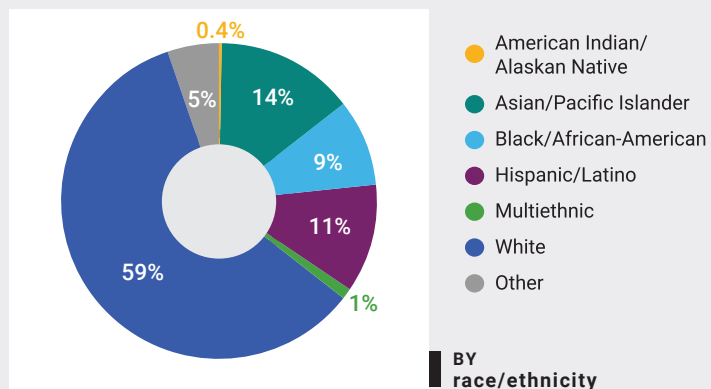
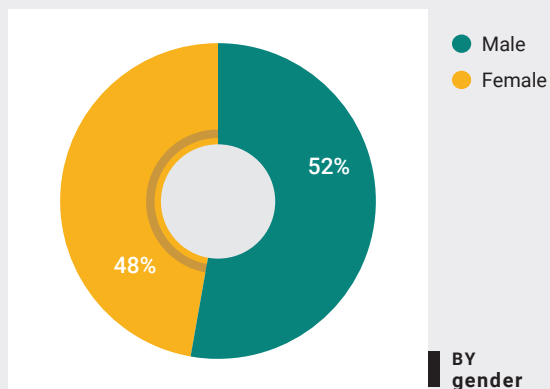


2.1. TRENDS IN TOTAL ENROLLMENT IN ACCOUNTING PROGRAMS / 1993-2016

	Bachelor's	Master's	Ph.D.	Total enrollment
1993-94	189,863	19,454	1,002	210,319
1994-95	192,870	20,030	870	213,770
1995-96	174,010	17,550	770	192,330
1998-99	134,050	14,990	770	149,810
1999-00	127,960	15,030	680	143,670
2000-01	134,775	16,770	800	152,345
2001-02	133,435	20,185	890	154,510
2002-03	141,175	26,360	1,085	168,620
2003-04	142,735	26,420	955	170,110
2006-07	173,299	28,974	1,095	203,368
2007-08	181,075	30,535	1,224	212,834
2009-10	187,534	37,386	1,188	226,108
2011-12	201,570	37,620	1,189	240,379
2014-15	207,071	44,816	1,195	253,082
2015-16	216,482	35,620	946	253,048

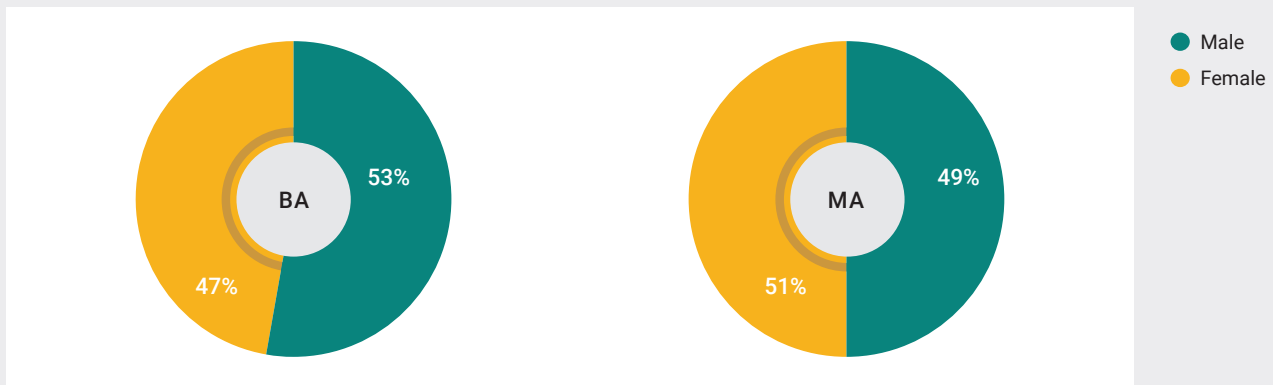
Total enrollments in accounting programs have stayed constant with the record levels seen in 2014-15. Bachelor's enrollments hit all-time highs while master's enrollments declined since 2014-15. The total number of enrollees has not changed since the previous reporting period, but the mix of program enrollments has. (See notes a, b, and k on page 34)

2.2 BACHELOR'S AND MASTER'S OF ACCOUNTING ENROLLEE DEMOGRAPHICS / 2015-16

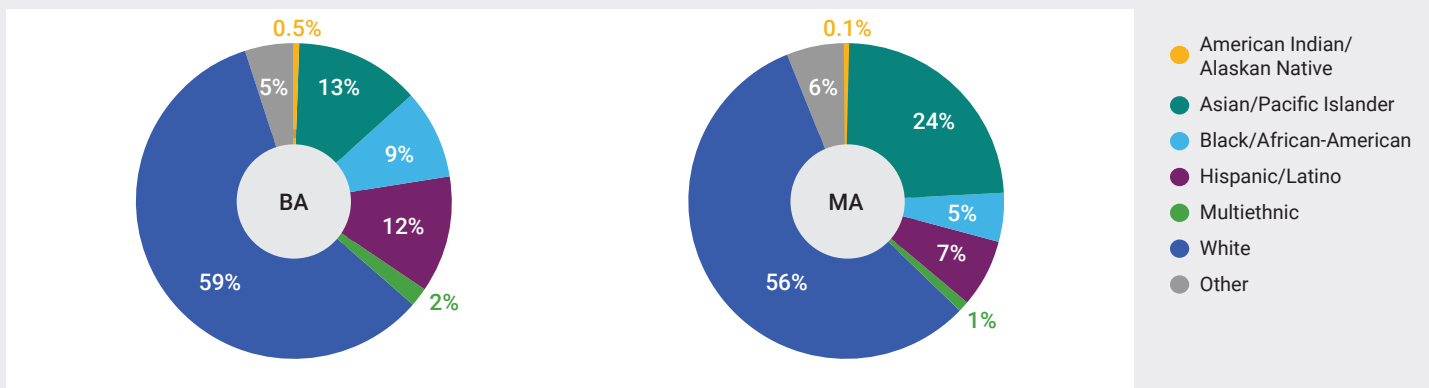


Dual degree students are defined as students who earn both their bachelor's and master's in accounting degrees simultaneously over the course of 5 years.

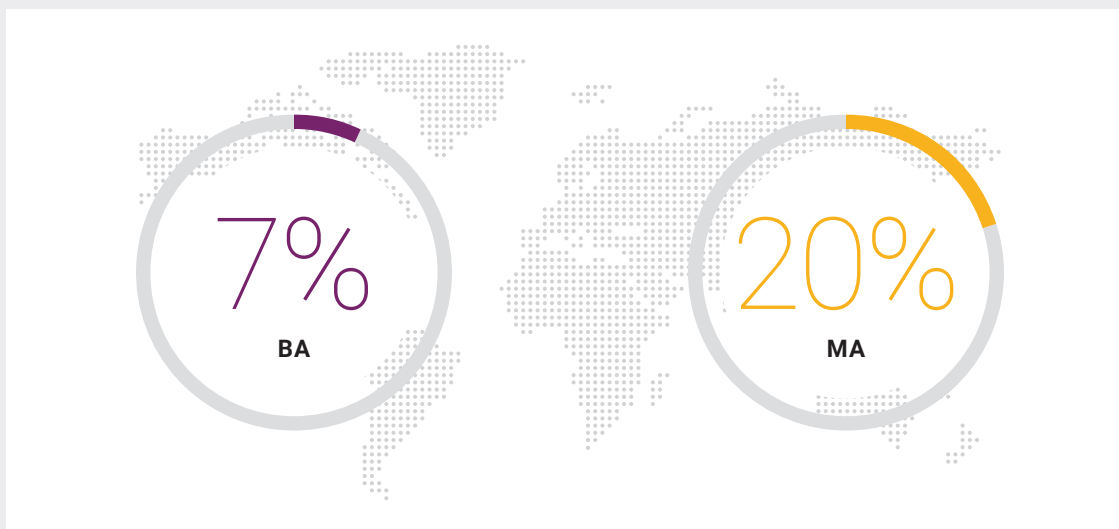
2.3. ACCOUNTING ENROLLEES BY GENDER / 2015-16



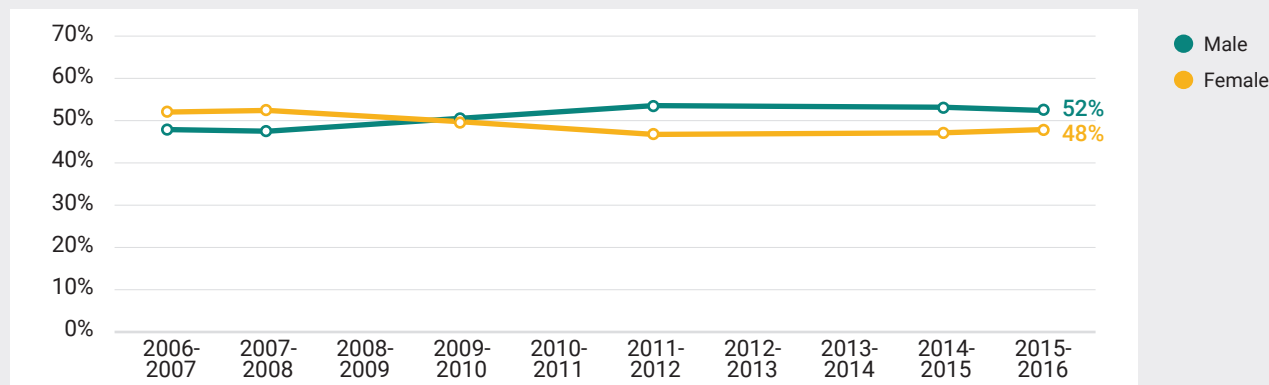
2.4. ACCOUNTING ENROLLEES BY RACE/ETHNICITY / 2015-16



2.5. ACCOUNTING ENROLLEES – INTERNATIONAL STUDENTS IN U.S. ACCOUNTING PROGRAMS / 2015-16

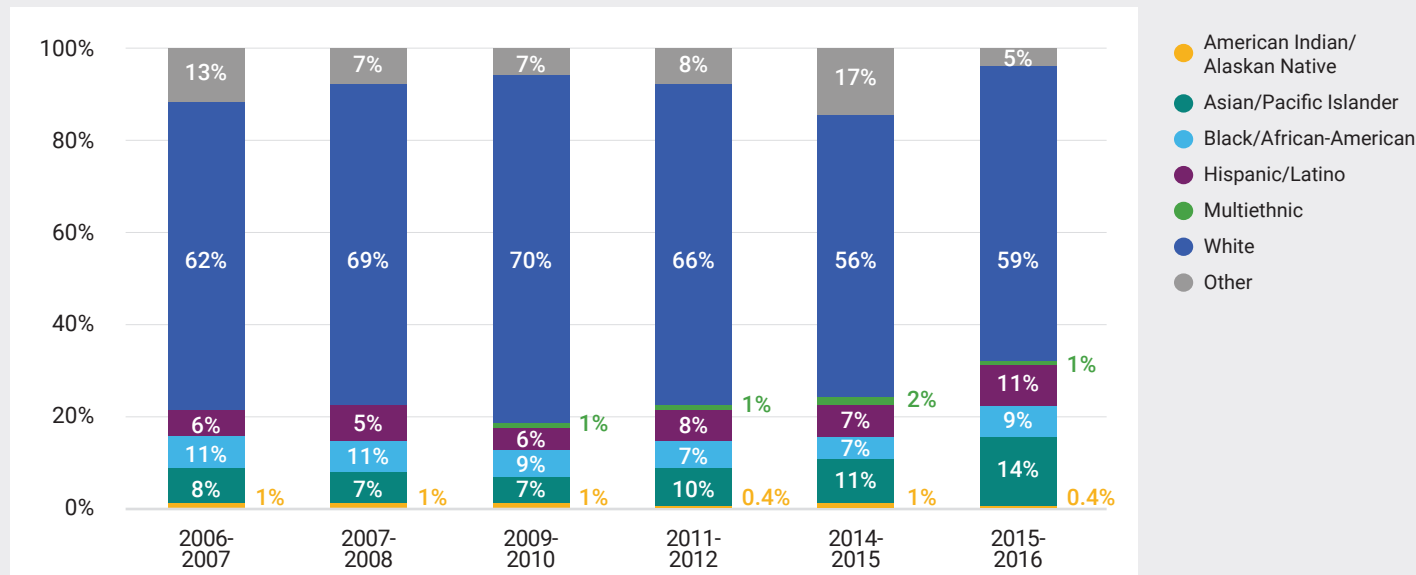


2.6. TRENDS IN BACHELOR'S AND MASTER'S OF ACCOUNTING ENROLLEES BY GENDER / 2006-16



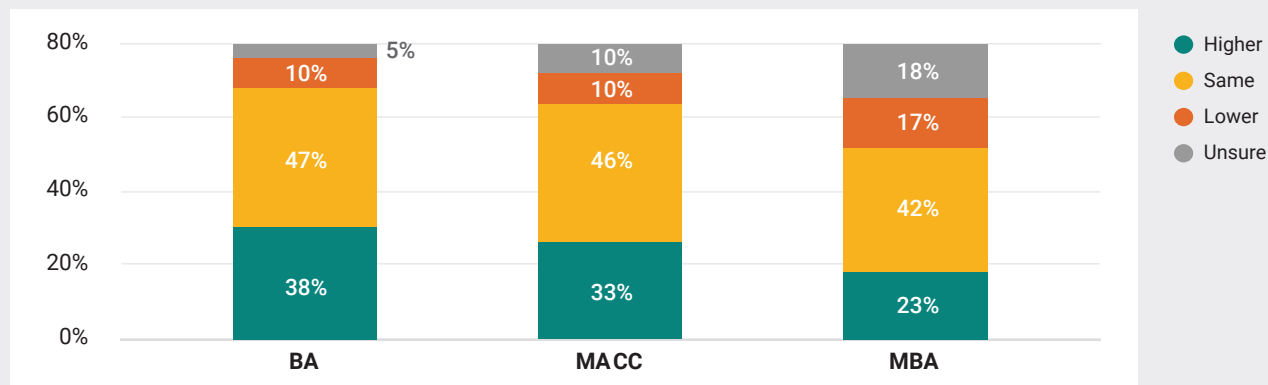
(See note k on page 34)

2.7. TRENDS IN BACHELOR'S AND MASTER'S OF ACCOUNTING ENROLLEES BY RACE/ETHNICITY / 2006-16



(See note k and l on page 34) (Due to rounding, these data may not equal 100%)

2.8. ACCOUNTING PROGRAM ENROLLMENT EXPECTATIONS / 2016-17



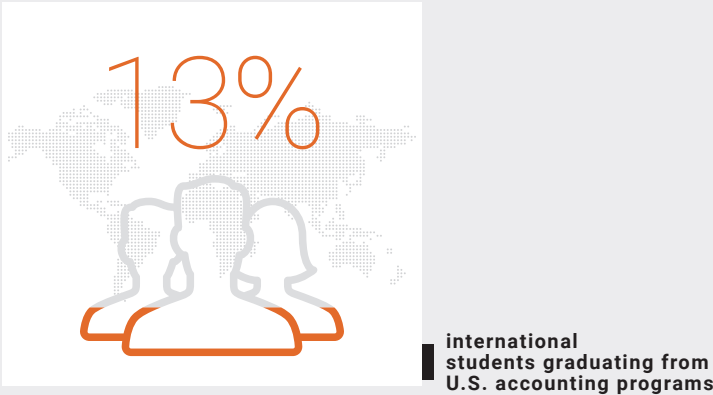
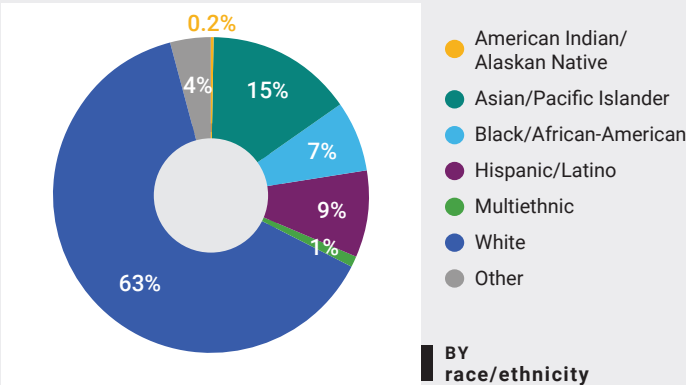
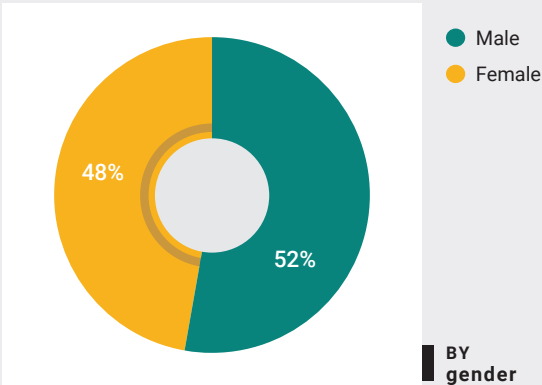
Eighty-five percent of bachelor's of accounting and 80% of master's of accounting programs expect the same or higher enrollment in the 2016-2017 academic year. Due to insufficient sample size, master's of tax degree enrollment expectations cannot be provided for 2016-17. (Due to rounding, these data may not equal 100%)

2.9. BACHELOR'S AND MASTER'S DEGREES IN ACCOUNTING AWARDED BY ALL UNIVERSITIES / 1971-2016

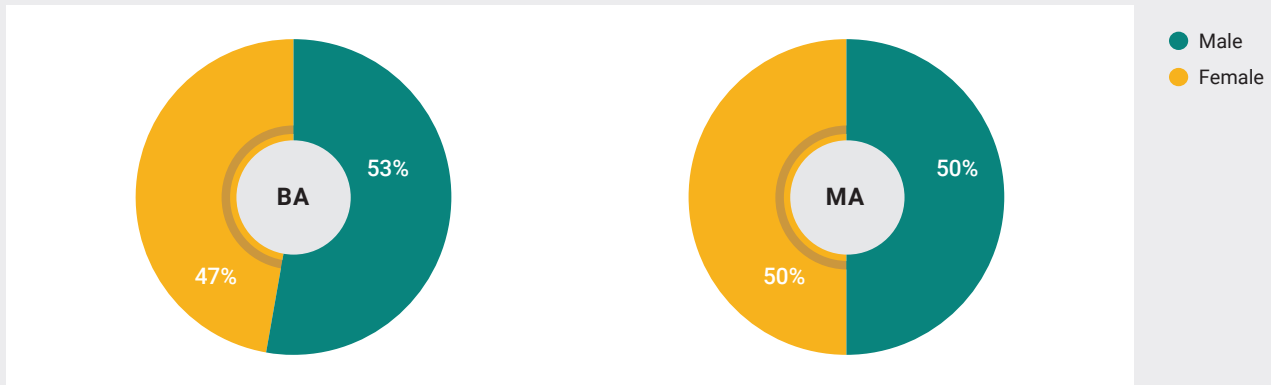
	Bachelor's		Master's		BA+MA graduates	
1971-72		23,800		2,200		26,000
1972-73		26,300		2,700		29,000
1973-74		31,400		3,400		34,800
1974-75		35,400		4,300		39,700
1975-76		39,900		4,700		44,600
1976-77		44,760		5,620		50,380
1977-78		46,000		5,670		51,670
1978-79		48,800		5,640		54,440
1979-80		49,870		5,280		55,150
1980-81		49,320		5,520		54,840
1981-82		50,300		5,570		55,870
1982-83		51,950		5,810		57,760
1983-84		53,020		6,330		59,350
1984-85		51,890		5,910		57,800
1985-86		50,000		5,750		55,750
1986-87		48,030		5,580		53,610
1987-88		46,340		4,910		51,250
1988-89		52,500		5,230		57,730
1989-90		52,320		5,040		57,360
1990-91		53,600		5,040		58,640
1991-92		53,320		7,070		60,390
1992-93		50,060		5,330		55,390
1993-94		53,450		7,170		60,620
1994-95		53,360		7,860		61,220
1995-96		52,030		7,630		59,660
1998-99		41,170		6,725		47,895
1999-00		37,115		7,980		45,095
2000-01		37,855		8,700		46,555
2001-02		34,995		9,700		44,695
2002-03		37,010		12,665		49,675
2003-04		40,420		13,340		53,760
2006-07		47,662		16,559		64,221
2007-08		48,968		17,491		66,459
2009-10		51,036		17,603		68,639
2011-12		61,334		20,843		82,177
2013-14		54,423		27,359		81,782
2015-16		57,119		22,405		79,524

Bachelor's degrees in accounting awarded in 2015-16 increased by 5% over 2013-14. Combined with a decrease in master's degrees in accounting, there was an overall decrease of 2,258 total projected bachelor's and master's of accounting degrees awarded in 2015-16. (See note a on page 34)

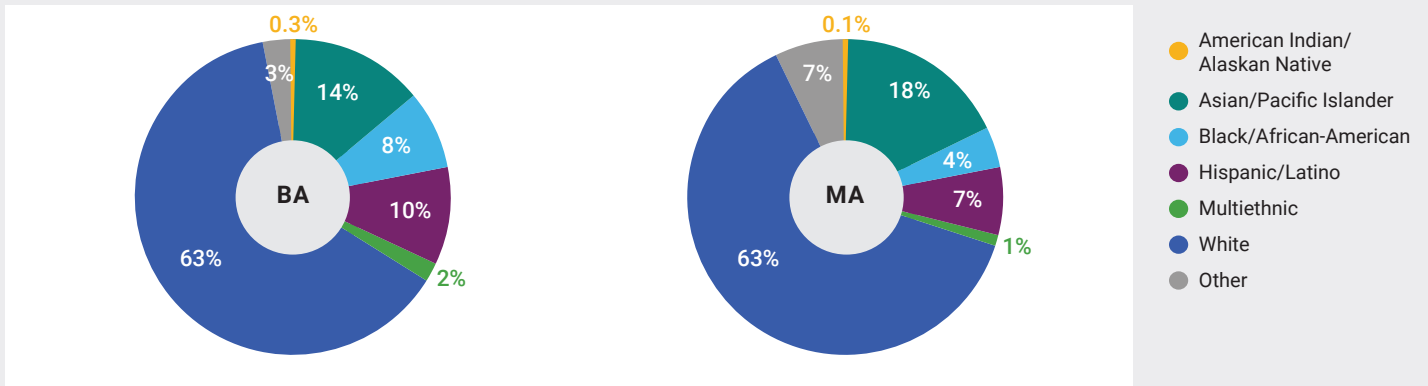
2.10. NEW BACHELOR’S AND MASTER’S OF ACCOUNTING GRADUATE DEMOGRAPHICS / 2015-16



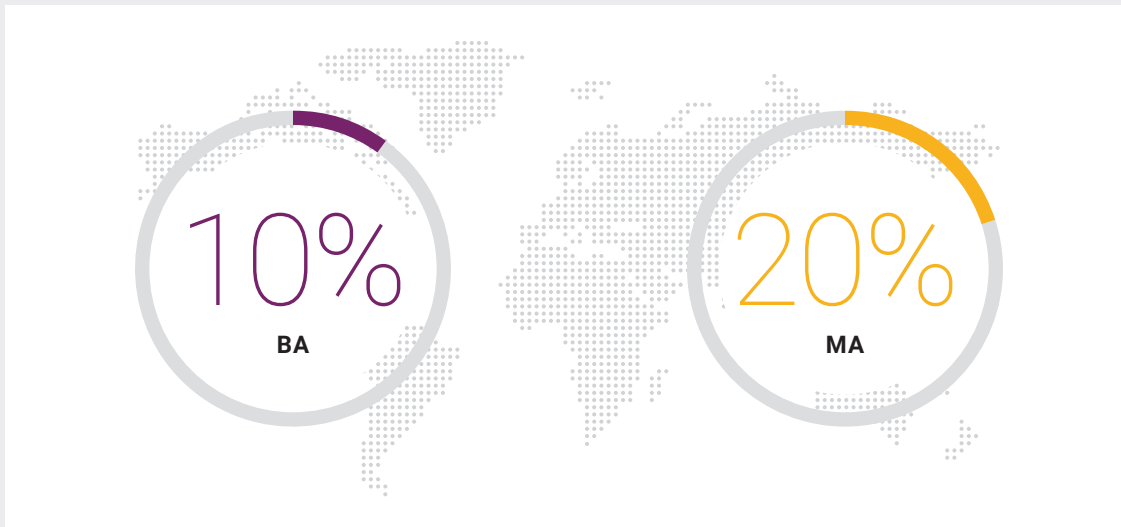
2.11. NEW ACCOUNTING GRADUATES BY GENDER / 2015-16



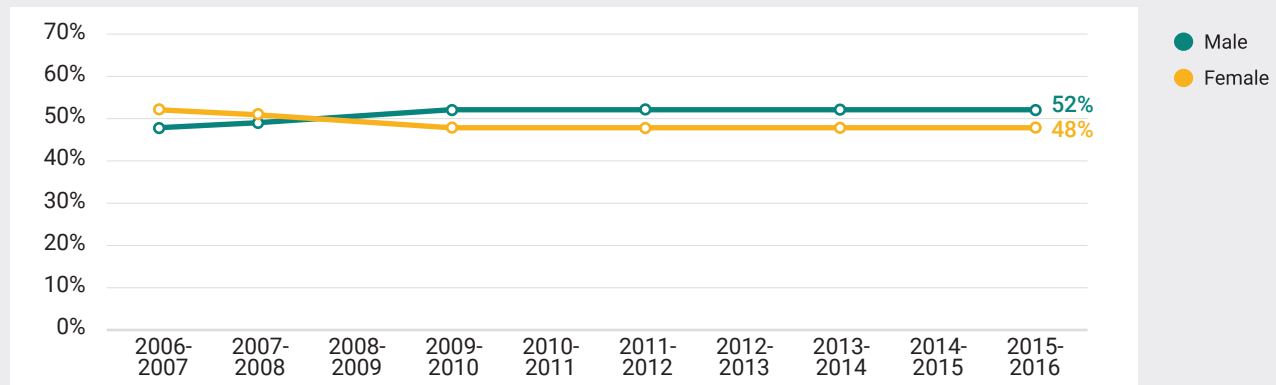
2.12. NEW ACCOUNTING GRADUATES BY RACE/ETHNICITY / 2015-16



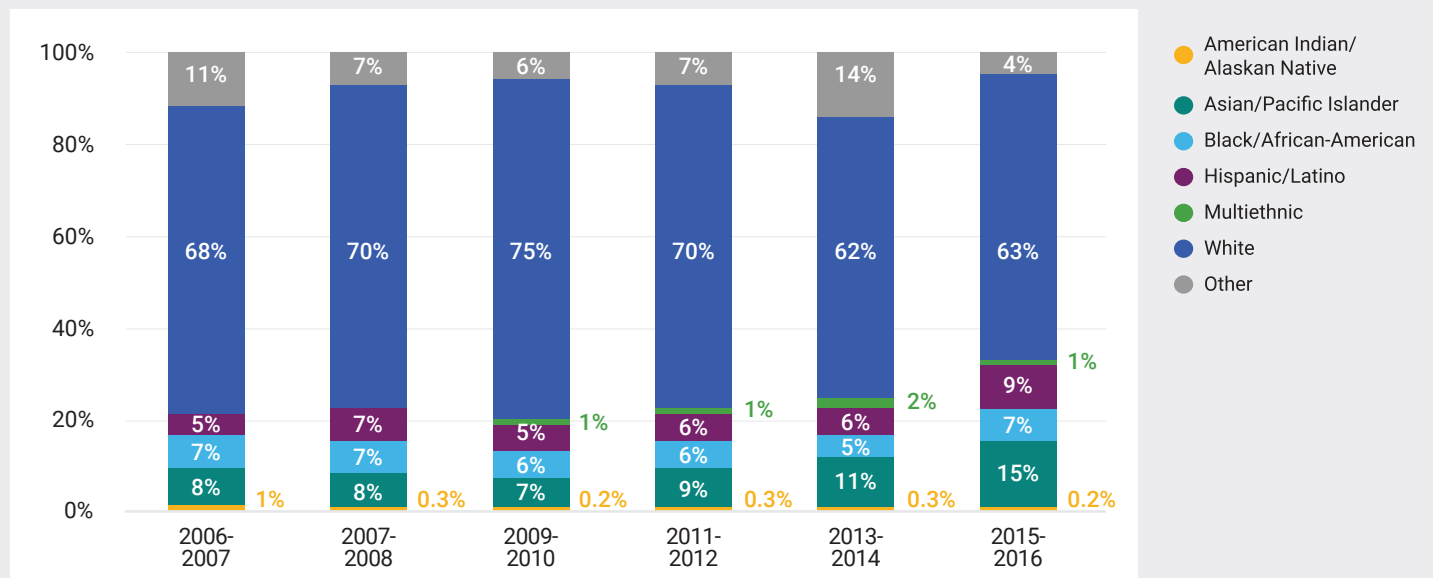
2.13. NEW ACCOUNTING GRADUATES – INTERNATIONAL STUDENTS FROM U.S. ACCOUNTING PROGRAMS / 2015-16



2.14. TRENDS IN NEW BACHELOR'S AND MASTER'S OF ACCOUNTING GRADUATES BY GENDER / 2006-16

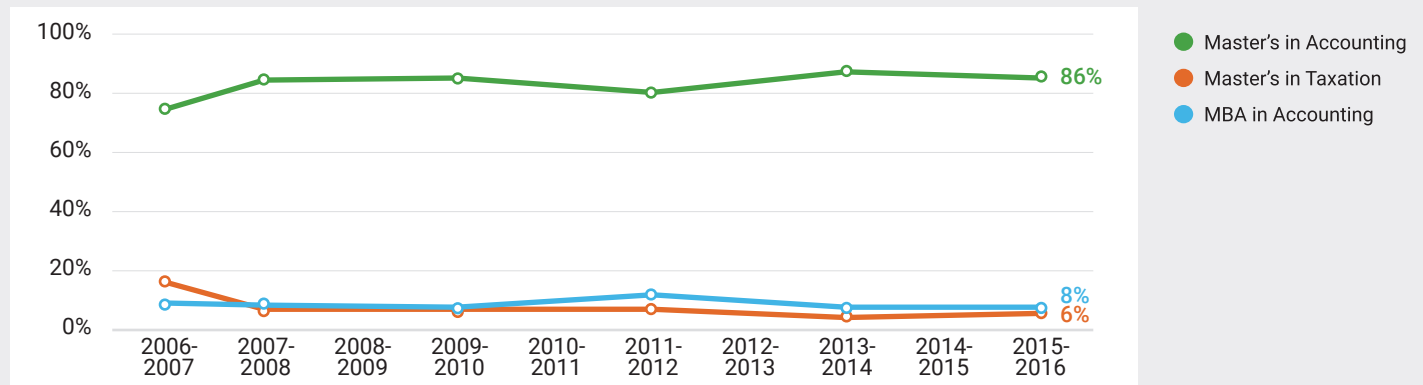
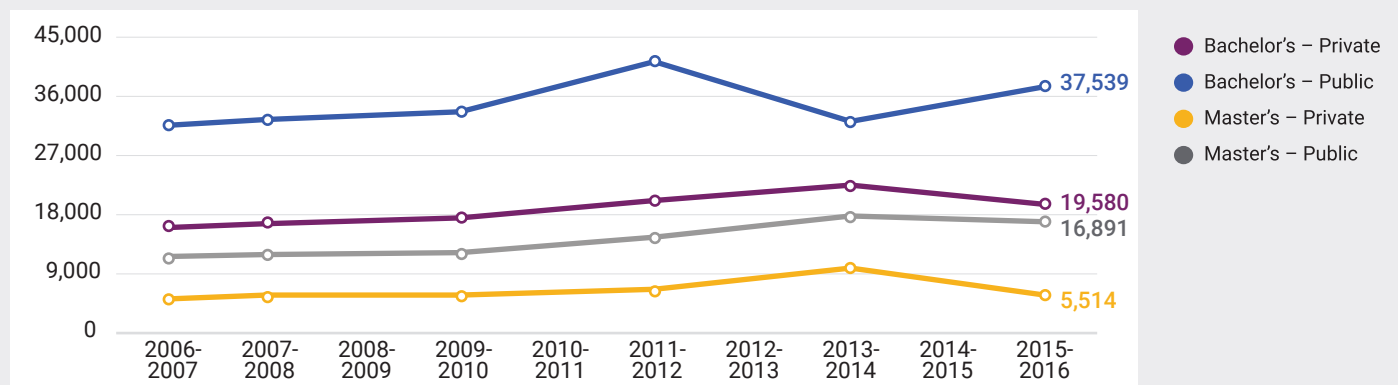


2.15. TRENDS IN NEW BACHELOR'S AND MASTER'S OF ACCOUNTING GRADUATES BY ETHNICITY / 2006-16



(See note I on page 34)

(Due to rounding, these data may not equal 100%)

2.16. TRENDS IN NEW ACCOUNTING MASTER'S GRADUATES BY PROGRAM / 2006-16**2.17. TRENDS IN NEW BACHELOR'S AND MASTER'S OF ACCOUNTING GRADUATES BY SECTOR / 2006-16**

A man with glasses is sitting at a desk, working on a laptop. He is looking at the screen with a focused expression. The background shows a large window with a view of a city skyline. The text is overlaid on a teal rectangular area on the left side of the image.

Trends in the **demand**

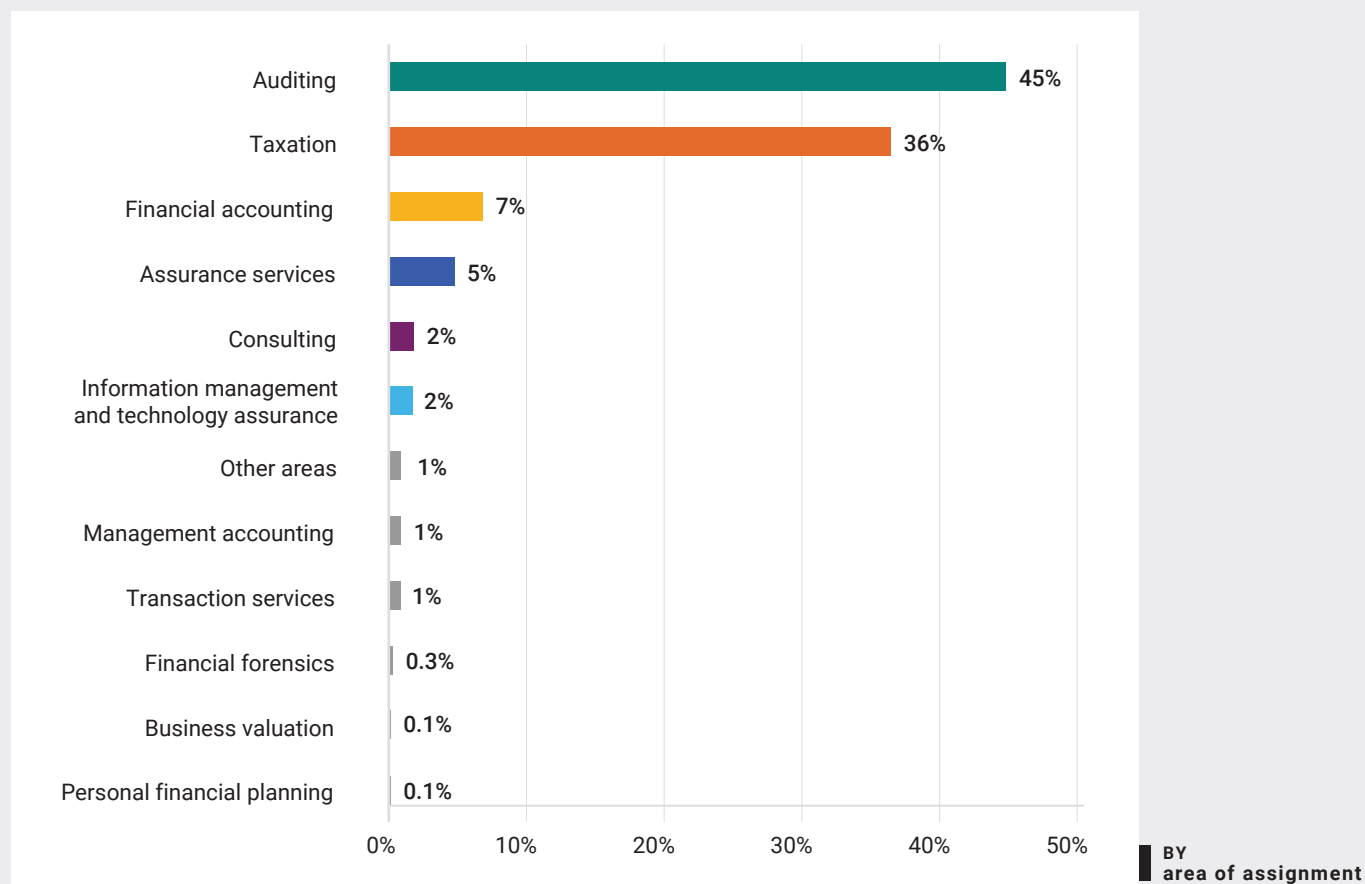
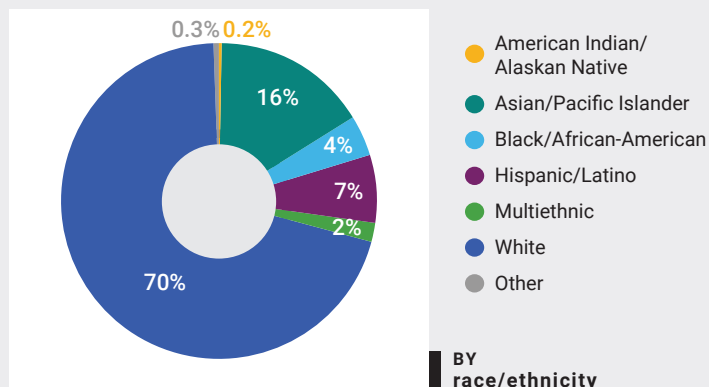
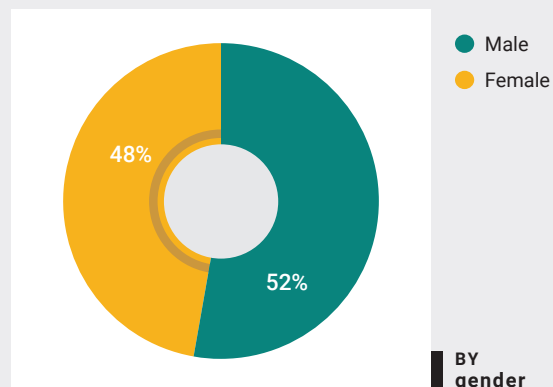
for public accounting recruits

3.1 TRENDS IN NEW ACCOUNTING GRADUATES HIRED BY US CPA FIRMS / 1971-2016

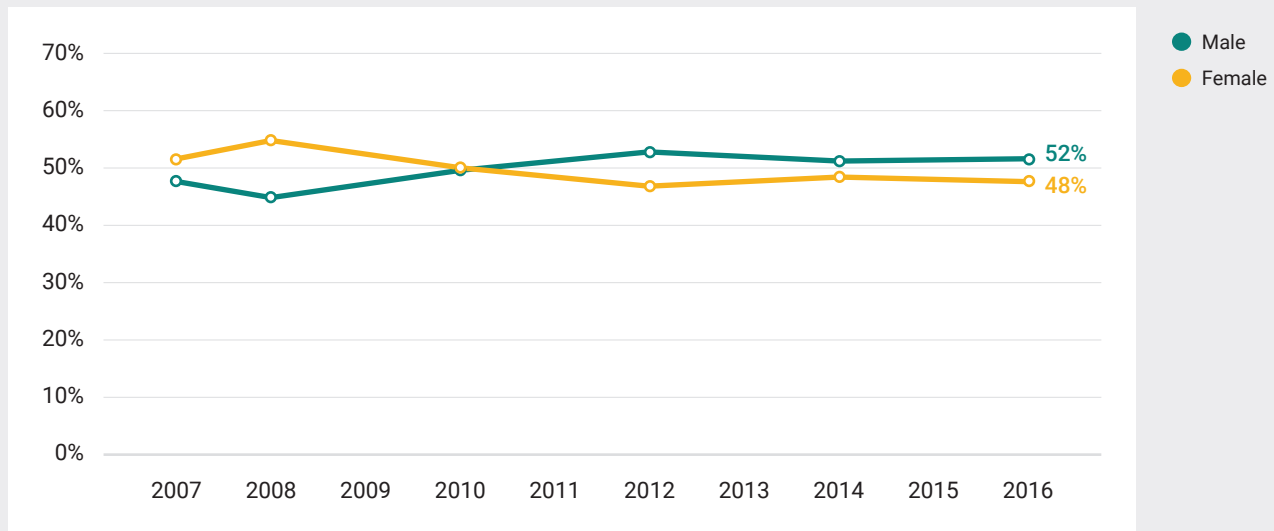
	Bachelor's hires	Master's hires	Total demand
1971	6,800	2,000	8,800
1972	8,900	2,400	11,300
1973	10,000	2,600	12,600
1974	9,500	2,600	12,100
1975	9,200	2,800	12,000
1976	10,010	3,350	13,360
1977	11,660	3,310	14,970
1978	12,770	2,890	15,660
1979	13,500	2,900	16,400
1980	14,100	2,460	16,560
1981	14,200	2,210	16,410
1982	11,970	2,210	14,180
1983	14,490	2,180	16,670
1984	15,640	2,180	17,820
1985	16,510	2,250	18,760
1986	16,110	2,030	18,140
1987	16,720	2,050	18,770
1988	16,740	2,220	18,960
1989	25,240	2,600	27,840
1990	21,340	2,500	23,840
1991	18,840	1,760	20,600
1992	19,870	2,650	22,520
1993	19,320	2,670	21,990
1994	18,500	2,970	21,470
1995	18,560	3,375	21,935
1996	17,820	2,650	20,470
1999	16,960	3,250	20,210
2000	17,265	3,686	20,951
2001	13,335	3,035	16,370
2002	12,630	3,295	15,925
2003	13,270	3,555	16,825
2004	14,985	4,720	19,705
2007	28,025	8,087	36,112
2008	19,110	6,378	25,488
2010	19,870	13,451	33,321
2012	23,793	16,557	40,350
2014	24,931	18,321	43,252
2016	21,167	13,722	34,889

After several years of growth, data suggest hiring has declined for both bachelor's and master's in accounting graduates. (See note c on page 34)

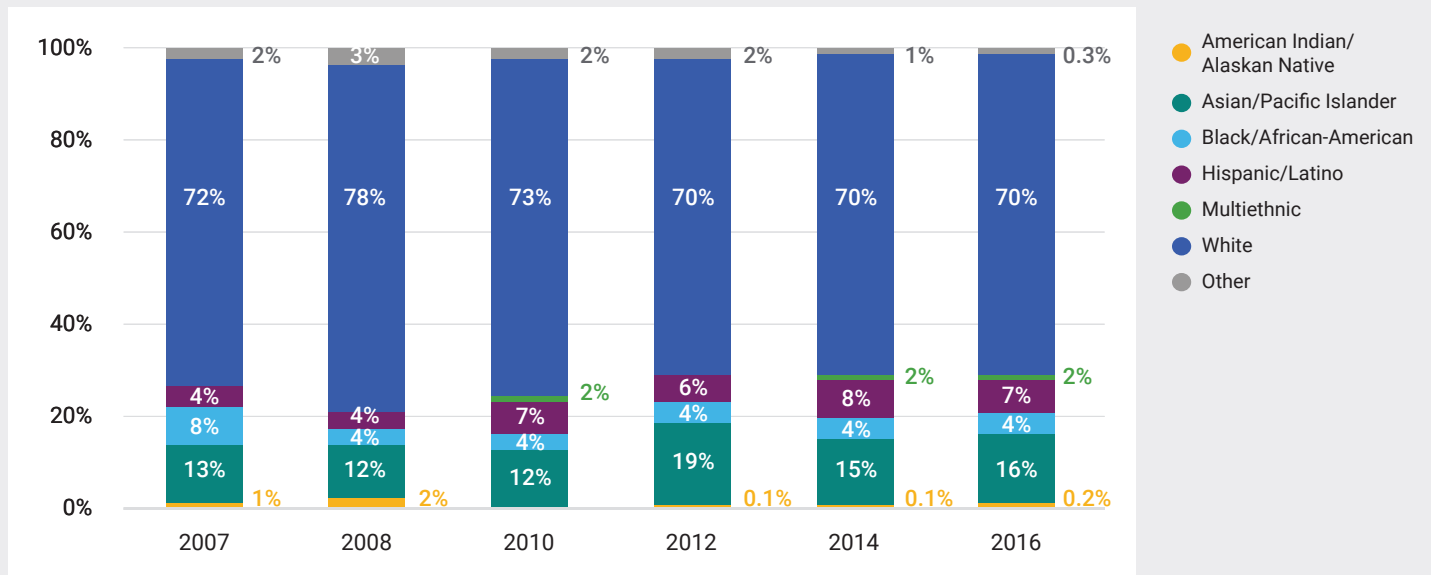
3.2 NEW BACHELOR'S AND MASTER'S OF ACCOUNTING GRADUATE HIRES BY U.S. CPA FIRMS DEMOGRAPHICS / 2016



3.3. TRENDS IN NEW BACHELOR'S AND MASTER'S OF ACCOUNTING GRADUATE HIRES BY U.S. CPA FIRMS BY GENDER / 2007-16



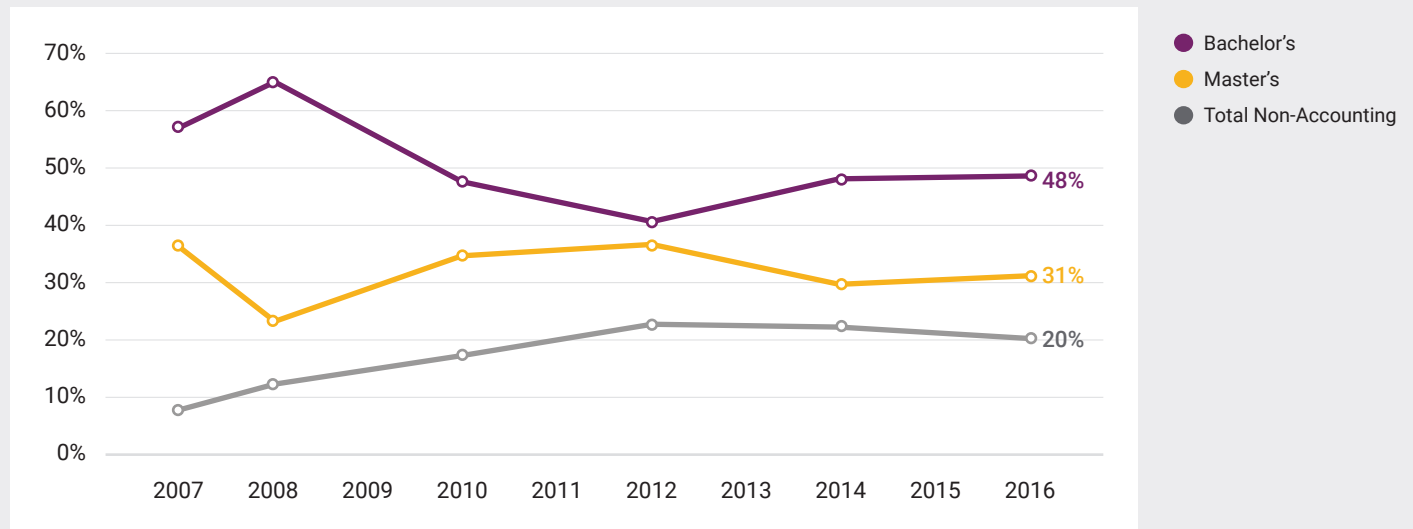
3.4 TRENDS IN NEW BACHELOR'S AND MASTER'S OF ACCOUNTING GRADUATE HIRES BY U.S. CPA FIRMS BY RACE/ETHNICITY / 2007-16



(Due to rounding, these data may not equal 100%)

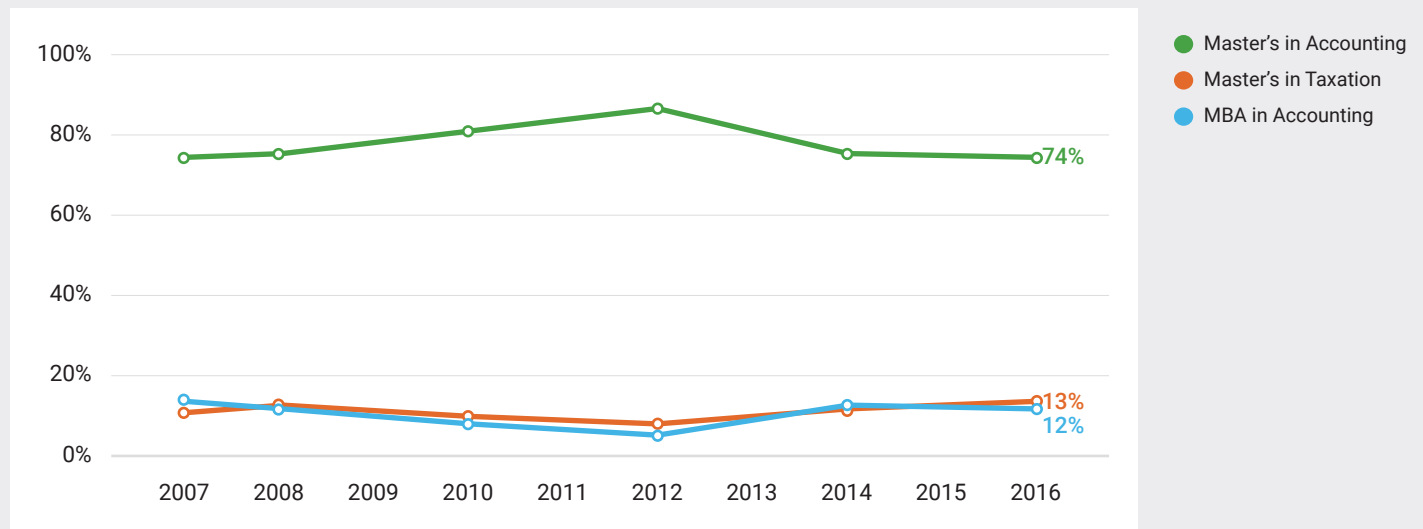
(See notes e and l on page 34)

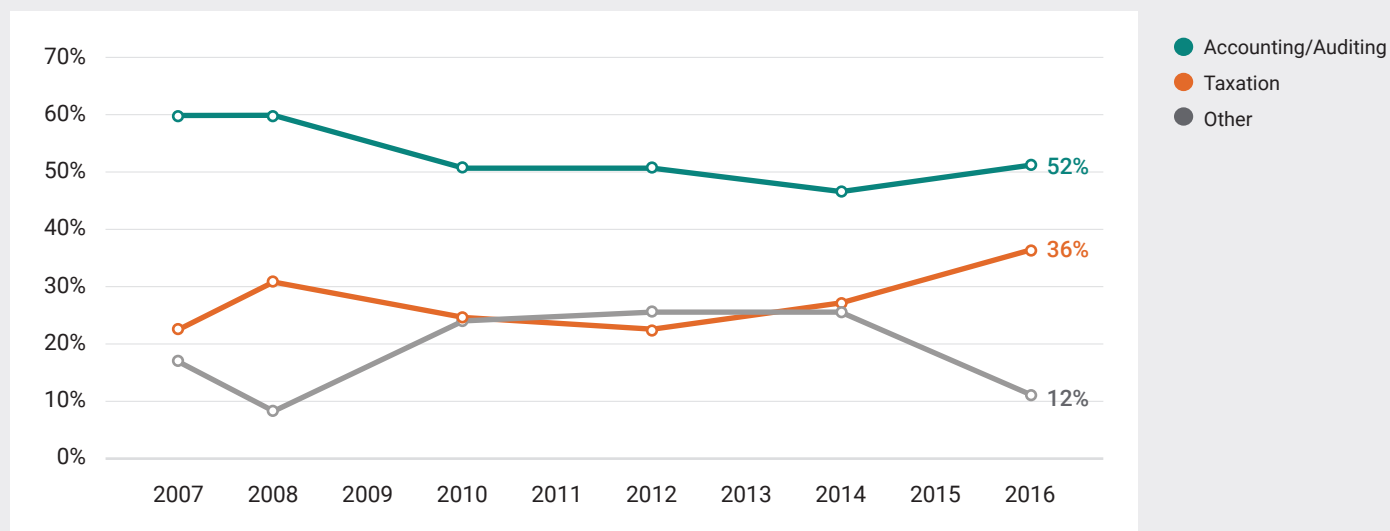
3.5. TRENDS IN NEW BACHELOR'S AND MASTER'S OF ACCOUNTING GRADUATES HIRED BY US CPA FIRMS AS A PERCENTAGE OF TOTAL NEW GRADUATE HIRES / 2007-16



(See note f on page 34)

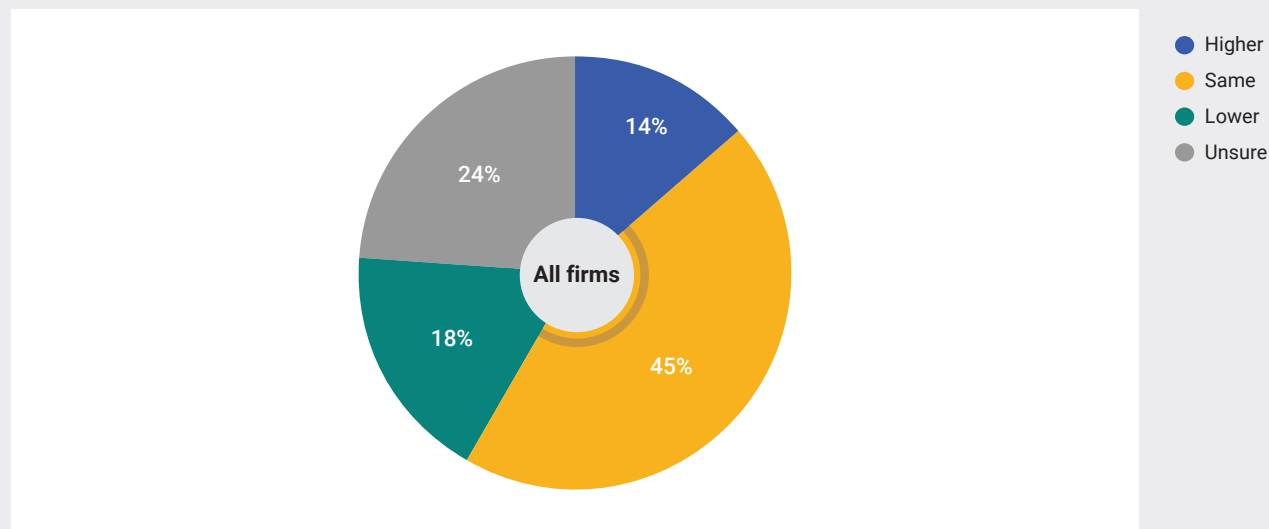
3.6. TRENDS IN NEW MASTER'S ACCOUNTING GRADUATES HIRED BY U.S. CPA FIRMS BY DEGREE / 2007-16



3.7. TRENDS IN NEW BACHELOR'S AND MASTER'S OF ACCOUNTING GRADUATES HIRED BY U.S. CPA FIRMS BY AREA OF ASSIGNMENT / 2007-16

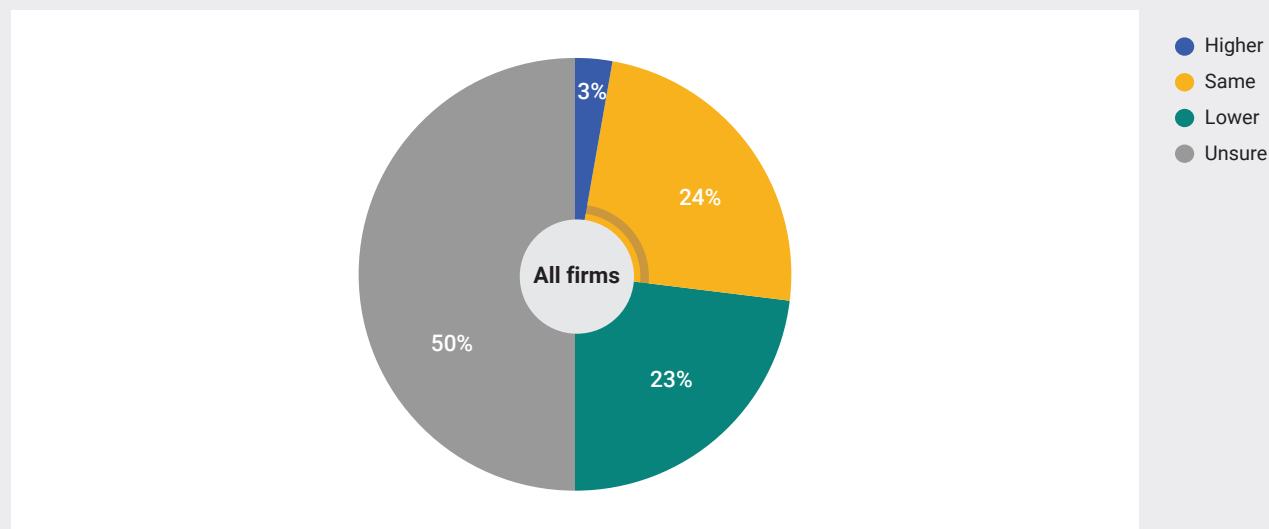
(See note g on page 34)

3.8. EXPECTED HIRING OF NEW BACHELOR'S AND MASTER'S OF ACCOUNTING GRADUATES BY U.S. CPA FIRMS WHO HIRED NEW ACCOUNTING GRADUATES IN 2016 / 2017

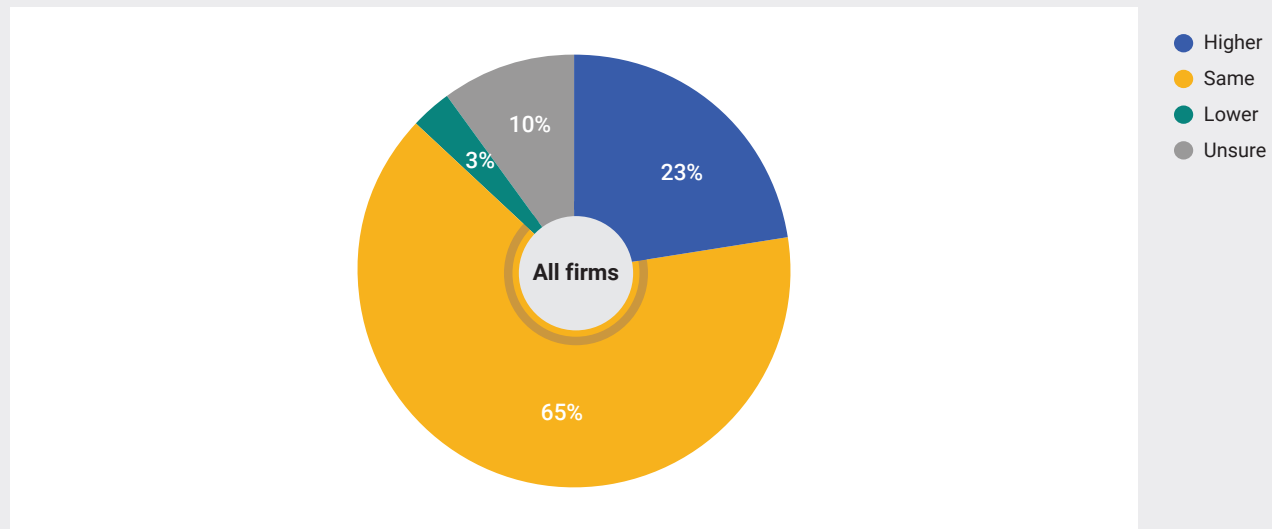


Of firms that hired 1 or more accounting graduates in 2016, 59% expect to hire the same number of new accounting graduates or more in 2017. (See note h on page 34)

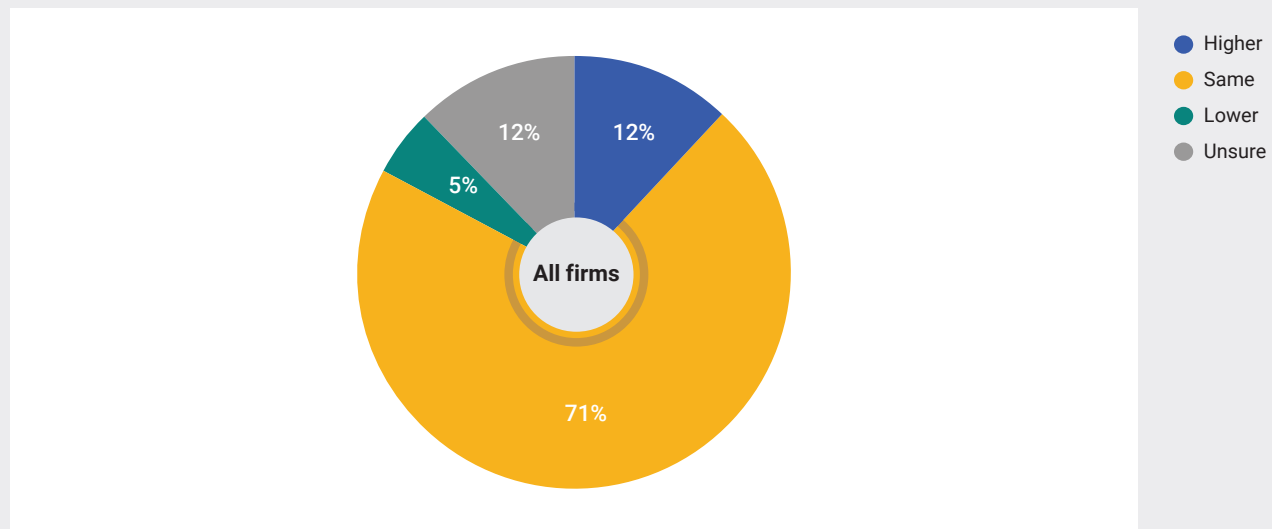
3.9 EXPECTED HIRING OF NEW NON-ACCOUNTING GRADUATES BY U.S. CPA FIRMS WHO HIRED NEW NON-ACCOUNTING GRADUATES IN 2016 / 2017



Future hiring of new non-accounting graduates at CPA firms is uncertain. Of firms that hired 1 or more new non-accounting graduates in 2016, 50% are not sure how many non-accounting graduates they will hire in 2017. (See note h on page 34)

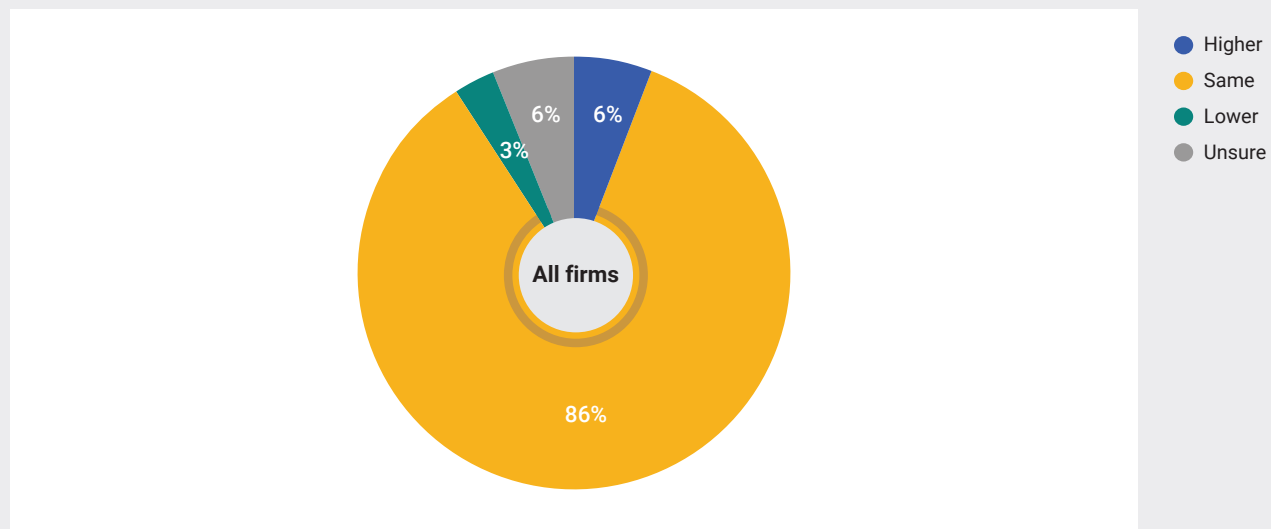
3.10. EXPECTED NUMBER OF CPAS ON STAFF AT U.S. CPA FIRMS / 2017

Eighty-eight percent of all US CPA firms expect to have the same number or more CPAs on staff in 2017.

3.11. EXPECTED NUMBER OF NON-CPA PROFESSIONAL STAFF AT U.S. CPA FIRMS / 2017

Eighty-three percent of all firms expect to have the same number of non-CPA professional staff or more in 2017.

3.12. EXPECTED NUMBER OF PARTNERS AT U.S. CPA FIRMS / 2017

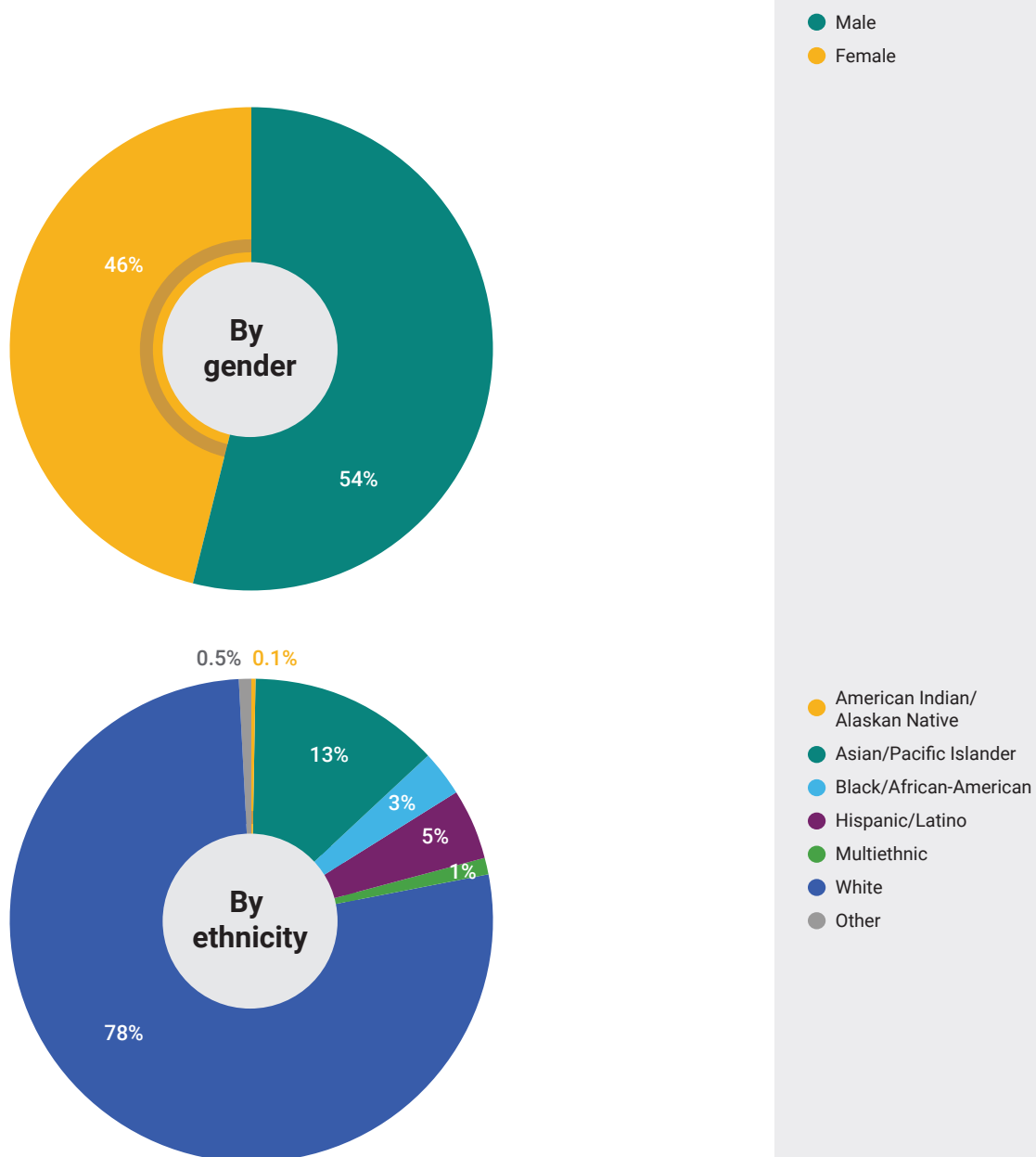


Firms overall do not expect a decrease in the number of partners in 2017.

A photograph of four people in a meeting, shown in profile from the chest up. They are all looking towards the right side of the frame with thoughtful expressions. The woman in the foreground has dark hair and is resting her chin on her hand. The man next to her has grey hair and is also resting his chin on his hand. The woman behind him is holding a pair of glasses. The woman on the far right has dark hair and is looking slightly away. They are all wearing professional attire. The background is bright and out of focus, suggesting a window or a bright room.

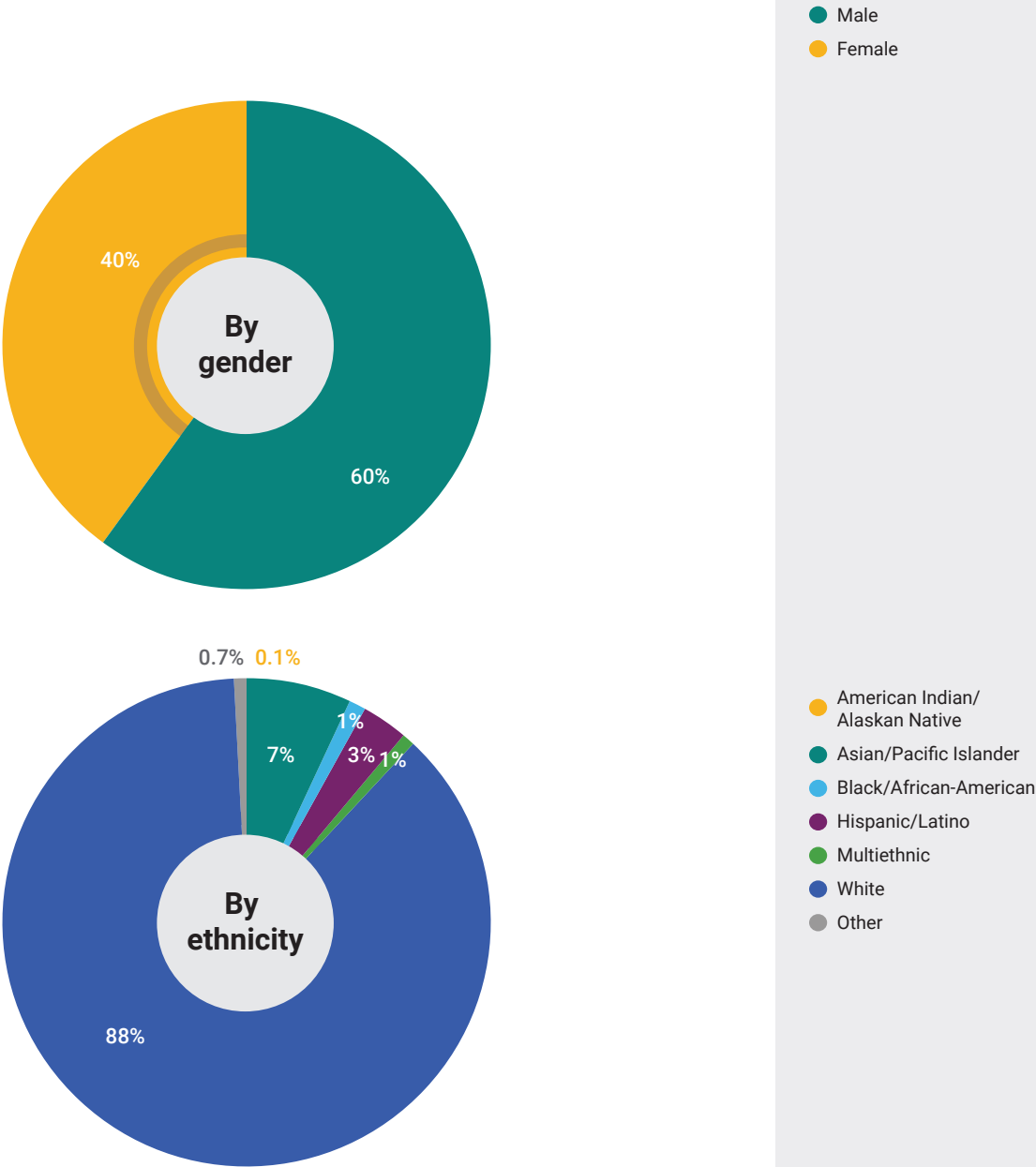
U.S. firm demographics

4.1 DEMOGRAPHICS OF ALL PROFESSIONAL STAFF AT U.S. CPA FIRMS / 2016



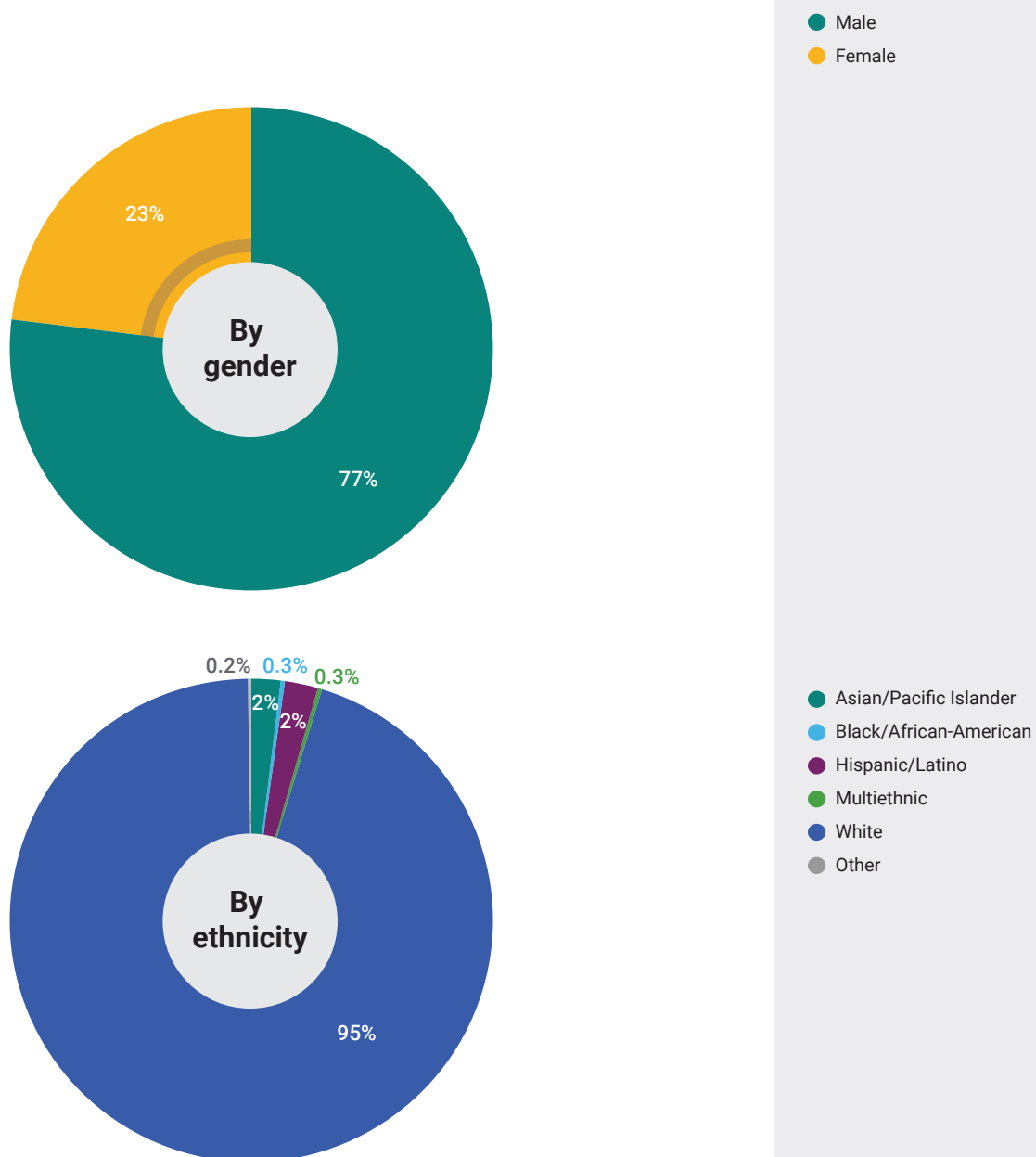
(See note i on page 34)

4.2. DEMOGRAPHICS OF CPAS AT U.S. CPA FIRMS / 2016

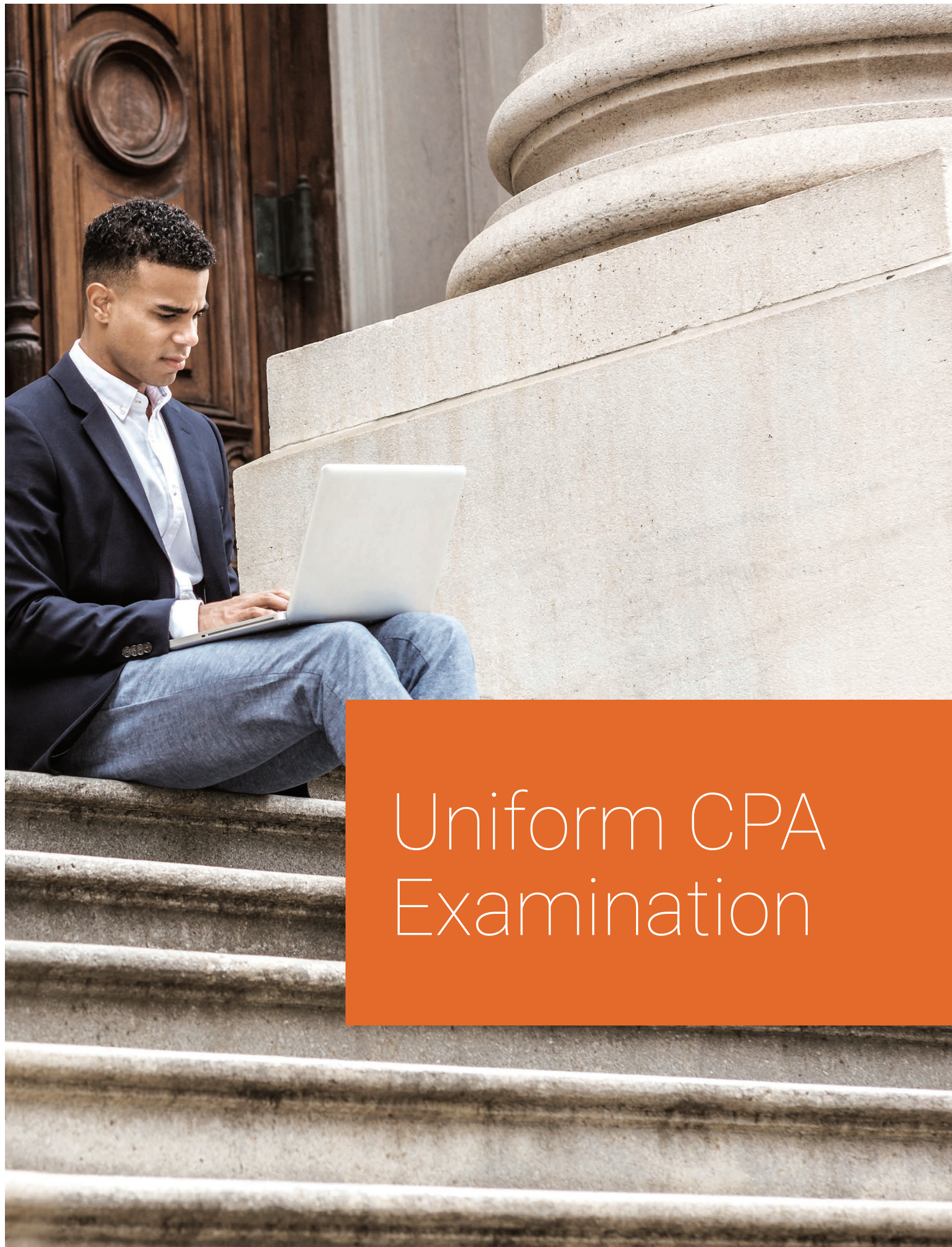


(See note i on page 34)

4.3. DEMOGRAPHICS OF PARTNERS AT U.S. CPA FIRMS / 2016



(See note i on page 34)



Uniform CPA Examination

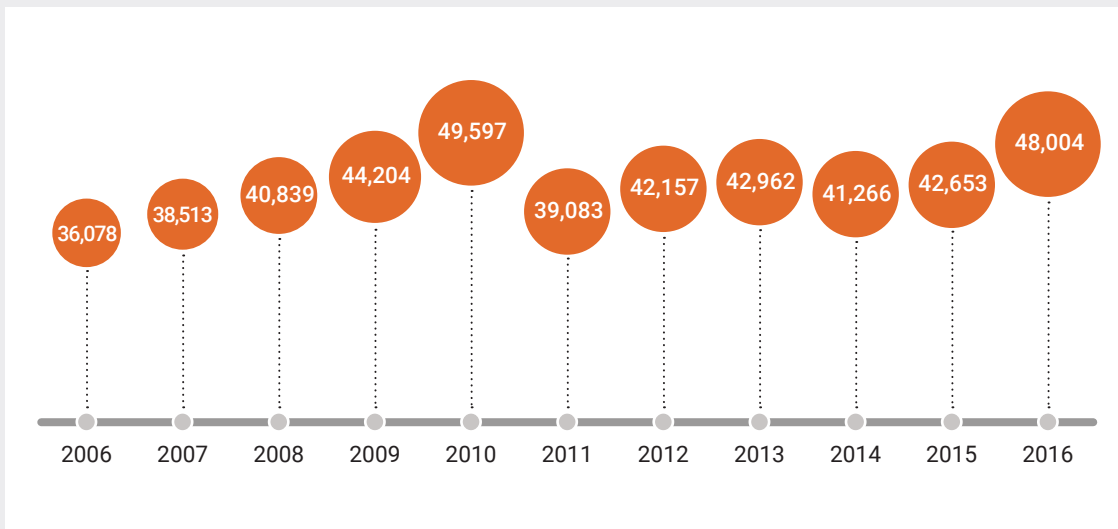
Through continuous evaluation and improvement of the Uniform CPA Examination, the AICPA Examinations team, with oversight by its Board of Examiners (BOE), is able to effectively address the evolving needs of the profession and ensure Exam content remains closely aligned with professional practice for newly licensed CPAs. The Exam provides reasonable assurance to state boards of accountancy that individuals who pass possess the level of technical knowledge and skills necessary for initial licensure.

Following a comprehensive and collaborative practice analysis that sought the input of stakeholders from public accounting, business and industry, academia, standard-setting bodies, and elsewhere, the Examinations team introduced a substantially updated version of the Exam on April 1, 2017. The Exam places greater emphasis on the assessment of a candidate's higher-order cognitive skills such as analytical ability, critical thinking, and problem solving. These are the skills that stakeholders agree are essential to the work of a newly licensed CPA.

Other notable changes to the Exam include an increased use of simulations in all sections, an additional hour of testing in both the BEC and REG sections, the offer of a 15-minute break where a candidate may pause the Exam timer, and item and skill weighting revisions. Each Exam section will also include tasks that rise to the analysis skill level, and in the case of the AUD section, the evaluation skill level.

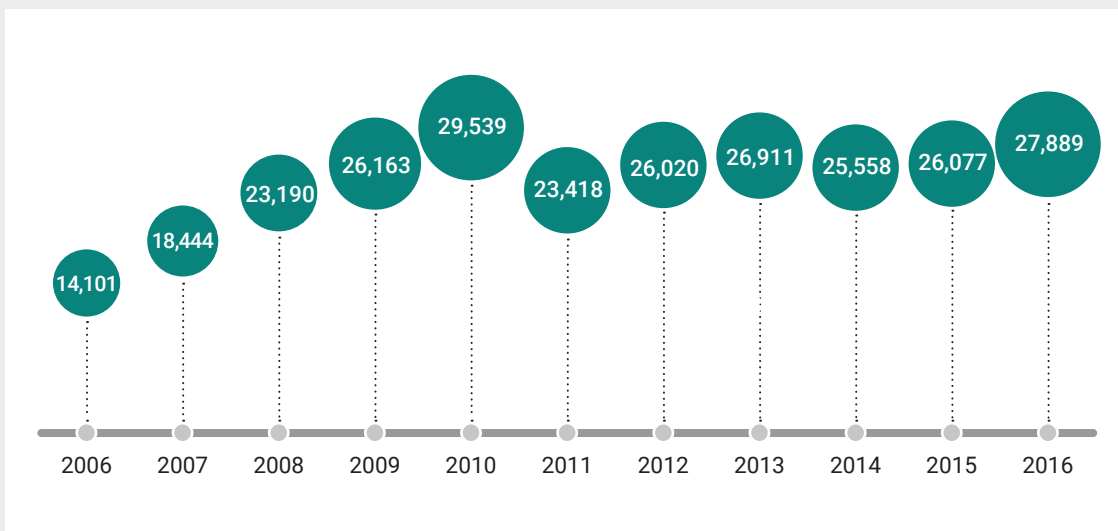
The most significant component of the Exam is the new, informative Examination Blueprints document, which provides candidates and other stakeholders with in-depth, section-by-section coverage of content and skills to be tested. Included within the blueprints are approximately 600 tasks representative of what a candidate may be asked to complete when taking the Exam.

5.1. NEW CPA EXAMINATION CANDIDATES BY YEAR / 2006-16



The number of new CPA candidates increased 13% between 2015 and 2016. (See note j on page 34)

5.2. NUMBER OF CPA CANDIDATES WHO PASSED THEIR 4TH SECTION OF THE CPA EXAMINATION BY YEAR / 2006-16



The number of CPA candidates who passed their 4th section of the CPA Examination increased 7% between 2015 and 2016. (See note j on page 34)

Appendix

Methods

Trends in the
supply
of accounting graduates

Trends in the
demand
for public accounting recruits

Survey fielding

A census of colleges and universities granting accounting degrees was invited to participate (n=913).

A census of public accounting firms was invited to participate (n=26,080).

The survey opened on October 12, 2016.

The survey opened on October 12, 2016.

The survey closed on January 4, 2017.

The survey closed on January 4, 2017.

Response rate was 19% (n=172).

Response rate was 2% (n=608).

Analysis and reporting

Survey results presented in this report are weighted by faculty size and geographic region.

Survey results presented in this report are weighted by firm size (number of CPAs).

Endnotes

- a. The statistical vendor changed from CXACT to ARC Research between the 2015 and 2017 reports. ARC did their due diligence in researching methods from previous years and creating a model that is as comparable as possible to previous years' data. The 2016 models are based on linear regressions on weighted data, using faculty size as a predictor.
- b. For 2016, the weighted proportions of MA program types were applied to the projected MA total to derive breakdowns by program type. For 2014, it appears that the unweighted proportions of MA program types were used. For 2012 and years prior, it is unclear how proportions of MA program types were derived.
- c. The statistical vendor changed from CXACT to ARC Research between the 2015 and 2017 reports. ARC did their due diligence in researching methods from previous years and creating a model that is as comparable as possible to previous years' data. The 2016 model is based on a linear regression on weighted data, using number of CPAs to predict total new graduate hires with accounting degrees. For 2016, the weighted proportions of BA vs. MA were applied to the projected total to derive breakdowns by degree level. For 2014, it appears that the unweighted proportions of BA/MA were used. For 2012 and years prior, it is unclear how proportions of BA/MA hires were derived.
- d. For the first time in the 2016 survey, to avoid double counting of dual degree students, respondents were instructed to classify students as follows:
Enrollments – Respondents were instructed to classify students in years 1 through 4 as bachelor's and students in year 5 as master's.
Graduates – Respondents were instructed to exclude dual degree graduates from the bachelor's totals, and include them in the master's totals.
- e. For this chart, 2014 ethnicity figures have been recalculated to exclude "Unknown" for comparability with other years.
- f. The numbers in this chart have changed from previous iterations of the report due to: 1) shifting from unweighted results in prior reports to weighted results in the current report, and 2) excluding JD degrees from previous years for comparability with 2016 data.
- g. Because of differences in the answer choices between 2016 and previous years, the following adjustments were made in order to show trends over time in chart 3.7:

1) 2016 areas of assignment were condensed into three categories as follows:

2016 Areas of Assignment	Condensed Category
Financial Accounting	Acc./Aud.
Auditing	Acc./Aud.
Assurance Services	Other
Taxation	Taxation
Information Management and Technology Assurance	Other
Consulting	Other
Financial Forensics	Other
Business Valuation	Other
Personal Financial Planning	Other
Management Accounting	Other
Transaction Services	Other
Other Areas	Other

2) "Other" figures from 2014 and previous years were recalculated to include the category of "MIS/Computers."

- h. In previous iterations of the report, the data in this chart included all firms that responded to the survey, rather than only firms that hired in the survey year. Thus, some percentage of those in previous years that noted that they would hire "the same" next year as in the survey year did not hire in that year and did not plan to hire in the future year (these tend to be smaller firms). This representation of the data was improved upon and this year the charts only include prospective hiring of firms that hire.
- i. Firm demographics are not broken down by firm size due to the insufficient samples in the 50-200 and 200+ CPA categories. The number of respondents in those categories is too small (i.e., there are fewer than 40 total respondents in each of those categories) to draw valid conclusions from despite relatively higher response rates (17% and 64%, respectively) in those categories.
- j. CPA Exam data often show increases in candidates prior to changes to the Exam followed by significant decreases in the first few years after the CPA Examination changes. With the changes in 2017, we expect to see these decreases in the next report.
- k. Enrollment data collected for the 2015 Trends report represents the 2014-15 academic year instead of the 2013-14 academic year due to the wording of the supply survey questionnaire for this period.
- l. Data collection for the multiethnic race/ethnicity category began in 2010.

