

# 2023 Trends

A report on **accounting education**,  
the **CPA Exam**, and **public accounting**  
firms' hiring of recent graduates



AICPA®

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# Letter of introduction from the Association's Academic in Residence



**Jan Taylor, CPA, CGMA, Ph.D.**

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

Thank you for your interest in *2023 Trends: A report on accounting education, the CPA exam, and public accounting firms' hiring of recent graduates*. This year's report identifies key trends in U.S. accounting enrollments and graduations and provides limited data around the hiring of new graduates in the public accounting sector.

This report provides accounting graduate data, including select demographic information, based upon university data reported to the Integrated Postsecondary Education Data System (IPEDS) for the 2020-21 and 2021-22 academic years. Data for enrollment expectations for future academic years were collected via an abbreviated *Trends* survey completed by members of the academic community.

The data for the demand of accounting graduates have been abbreviated this year due to a limited response rate from public accounting firms. We received responses from many of the largest firms along with over 200 responses from small firms. However, given the number of total responses, we are unable to accurately project the number of graduates (bachelor's, master's, non-accounting) that were hired into public accounting in 2021. All data included in the demand section of *Trends* are a report of the responses provided to the survey.

As the joint AICPA® and NASBA CPA Evolution project comes to fruition with an updated CPA Exam launching in January 2024, we have noted an increased number of candidates sitting for the exam in 2023 compared to 2022. The CPA candidate data presented in figure 5.1 of this report includes the years 2006–22 to allow for full-year comparisons. Visit [CPA Evolution](#) for more information.

It is important to understand that the demand data for the *Trends* report focus on public accounting hiring of new graduates and do not include data related to hiring of experienced accountants or hiring in sectors outside public accounting. The AICPA understands that those seeking accounting careers out of college are hired into a multitude of positions and that the data are not representative of all the opportunities available to accounting graduates.

We appreciate the universities and firms that took the time to participate in this long-standing research initiative, which provides essential insights to our many stakeholders and interested parties within the accounting profession. We hope that you find this report useful. The AICPA continues its commitment to grow the CPA pipeline (see a summary of certain initiatives beginning on page 20) and looks forward to working with both the academic and practicing communities to ensure a vital and strong profession for the next generation of CPAs.

More information about this *Trends* report, including changes made in data collection, how to interpret the data, and key insights, are provided in the next section. Please contact to our team at [Trends@aicpa.org](mailto:Trends@aicpa.org) if you have any questions regarding the material in this publication.

Sincerely,

A handwritten signature in black ink that reads "Jan Taylor". The signature is written in a cursive, flowing style.

Jan Taylor, CPA, CGMA, Ph.D.

# Key insights



## Accounting graduates and enrollment expectations

Bachelor's degree completions in accounting dropped 7.8% from 2021–2022 after steady decline of 1-3% per year since 2015–16. Master's degree completions also fell in 2021–2022 (-6.4%), but the percentage decline is significantly less than in 2019–20.

The gender ratio of accounting graduates is consistent, as is the mix of race/ethnicities with two exceptions. Hispanic/Latino graduates increased by almost a percentage point and nonresident alien graduates decreased by almost a percentage point in both the 2020–21 and 2021–22 academic years; the mix of all other groups was similar to 2019–20. Master's degree completions at private institutions fell 11% in 2021-22, while master's degree completions at public institutions decreased 3%.

Enrollment expectations continue to be optimistic, with 75% of responding bachelor's programs and 78% of responding master's programs expecting enrollment in 2023–24 to be the same or higher as in 2021–22.



## New graduate hiring

Due to a lack of responses, the total number of new graduate new hires could not be projected with confidence for 2021, and new hire and firm demographics are not reported.



## Firm expectations

Hiring expectations of the firms who responded are optimistic for new graduate new hires, with 91% of respondents saying they expect to hire the same or more accounting new graduate new hires in the next year; 60% of firms surveyed reported that they expect to have the same or higher number of CPAs on staff in 2023 compared to 2022.

# Interpreting the data

*Trends: A report on accounting education, the CPA Exam, and public accounting firms' hiring of recent graduates* historically includes both statistical projections and descriptive statistics. Statistical projections are not included in this 2023 report due to limited responses from public accounting firms.

The *Trends* report is broken down into three major reporting sections: **trends in supply, trends in demand, and CPA Exam candidate data.**

The data presented for total graduates and graduate demographics come directly from IPEDS, a series of interrelated surveys conducted every year by the National Center for Education Statistics (NCES), the primary federal entity for collecting education data. Universities, and technical and vocational schools that participate in the federal student financial aid program provide data directly to the NCES, which in turn makes the data available to researchers.

Because these data include every school with a designated accounting major, no projecting or weighting is necessary. Although only data for all schools are presented here, more data points are available online at the **IPEDS website**. Users can compare many variables for any subset of universities. Note that IPEDS does not collect enrollment data for specific programs. Future enrollment expectations data are collected via surveys to universities and presented as descriptive statistics.

Other changes or considerations are also noted within the report.



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

# CIP codes in the *Trends* report

The IPEDS database includes many variables, though most are not reported in this publication. The main variables presented in this publication include demographic variables (e.g., gender and race/ethnicity), completions (i.e., graduates), and the Classification of Instructional Programs (CIP) code, which denotes the program of study.

The *Trends* report includes completion data for the following CIP codes for all U.S. universities (including U.S. territories).

**52.0301: Accounting.** A program that prepares individuals to practice the profession of accounting and to perform related business functions. Includes instruction in accounting principles and theory, financial accounting, managerial accounting, cost accounting, budget control, tax accounting, legal aspects of accounting, auditing, reporting procedures, statement analysis, planning and consulting, business information systems, accounting research methods, professional standards and ethics, and applications to specific for-profit, public, and not-for-profit organizations.

**52.0302: Accounting Technology/Technician and Bookkeeping.** A program that prepares individuals to provide technical administrative support to professional accountants and other financial management personnel. Includes instruction in posting transactions to accounts, record-keeping systems, accounting software operation, and general accounting principles and practices.

**52.0303: Auditing.** A program that prepares individuals, including certified accountants, to perform independent internal and external appraisals to evaluate organizational

financial and operational activities, ensure compliance with laws and policies, safeguard assets, and promote effective planning and resource allocation. Includes instruction in advanced accounting, audit tools and techniques, sampling, risk and control, audit planning, audit function management, law and regulations, environmental auditing, information technology applications, professional standards and ethics, and specific industry and service sector problems.

**52.0304: Accounting and Finance.** An integrated or combined program in accounting and finance that prepares individuals to function as accountants and financial managers or analysts.

**52.0305: Accounting and Business/Management.** An integrated or combined program in accounting and business administration/management that prepares individuals to function as accountants and business managers.

**52.0399: Accounting and Related Services, Other.** Any instructional program in accounting not listed above.

**52.1601: Taxation.** A program that prepares individuals to provide tax advice and management services to individuals and corporations. Includes instruction in tax law and regulations, tax record systems, individual and corporate income taxation, tax planning, partnerships and fiduciary relationships, estates and trusts, property depreciation, capital gains and losses, dispositions, transfers, liquidity, valuation, and applications to specific tax problems.

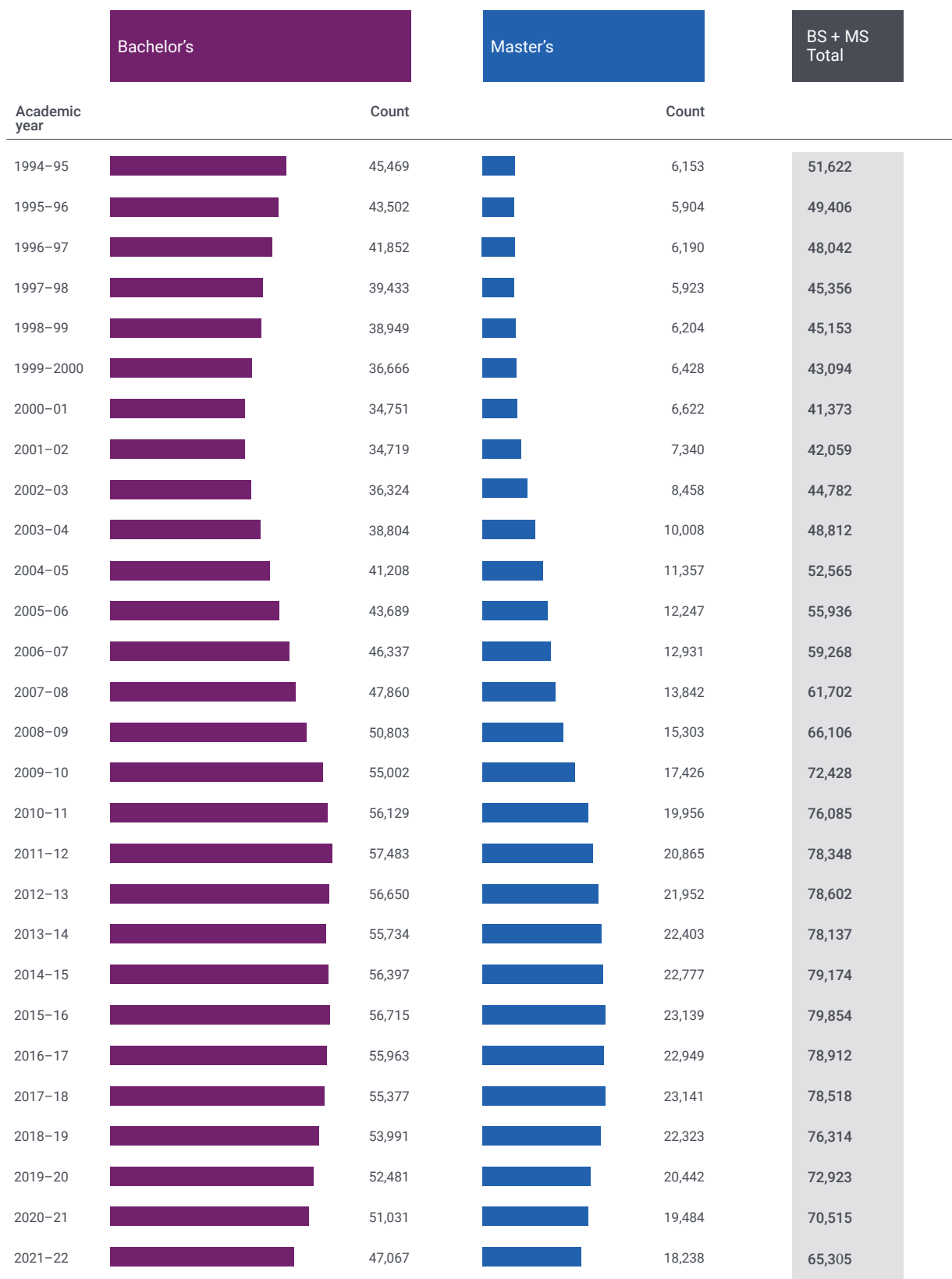
Source: [The Classification of Instructional Programs](#)

# Trends in Supply



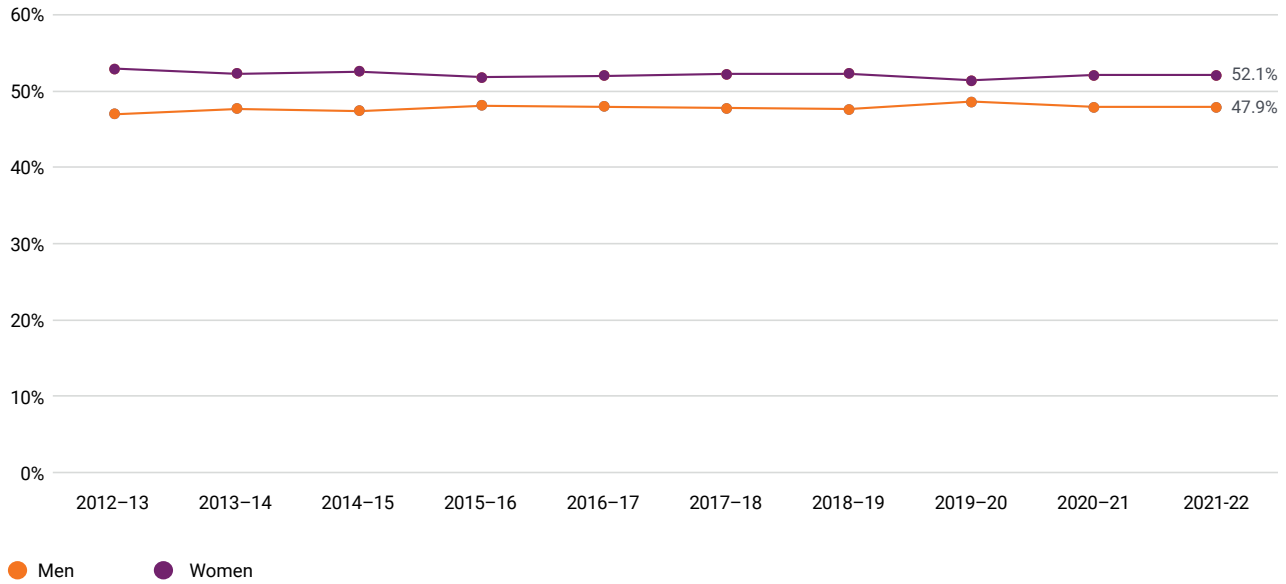


## 1.1 Trends in accounting degree completions – bachelor's and master's | 1994–2021

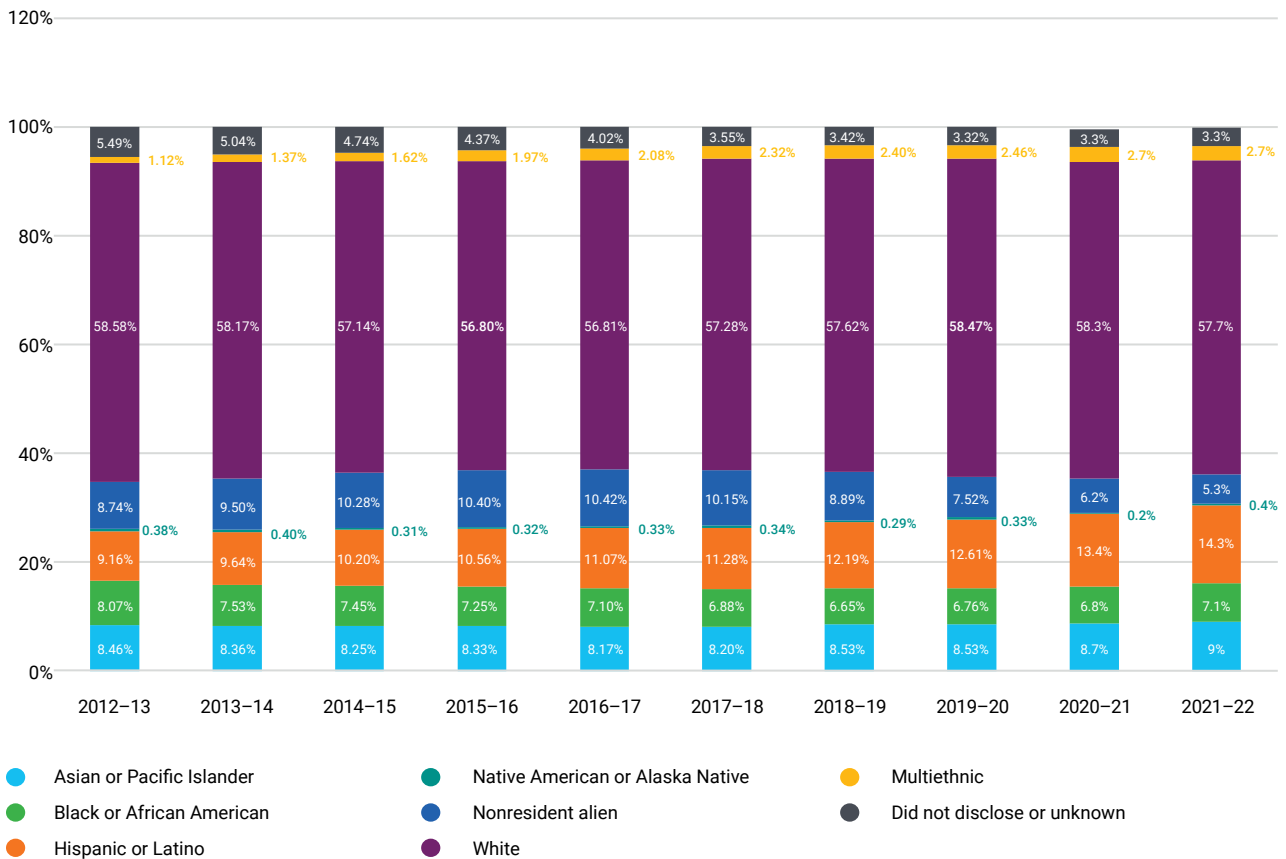


Source: IPEDS

### 1.2 Trends in new accounting degree completions by gender – bachelor's and master's | 2013–22

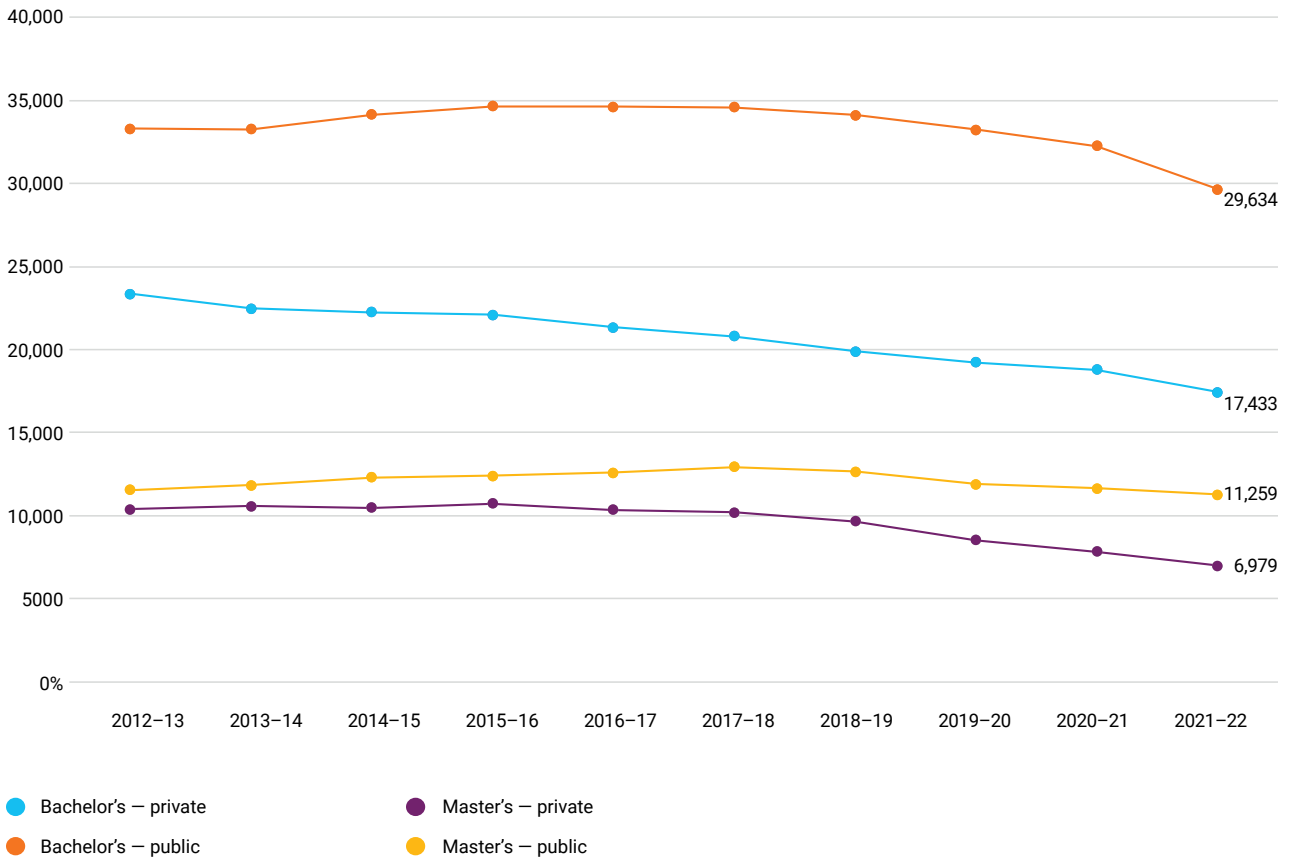


### 1.3 Trends in new accounting degree completions by race/ethnicity – bachelor's and master's | 2013–22



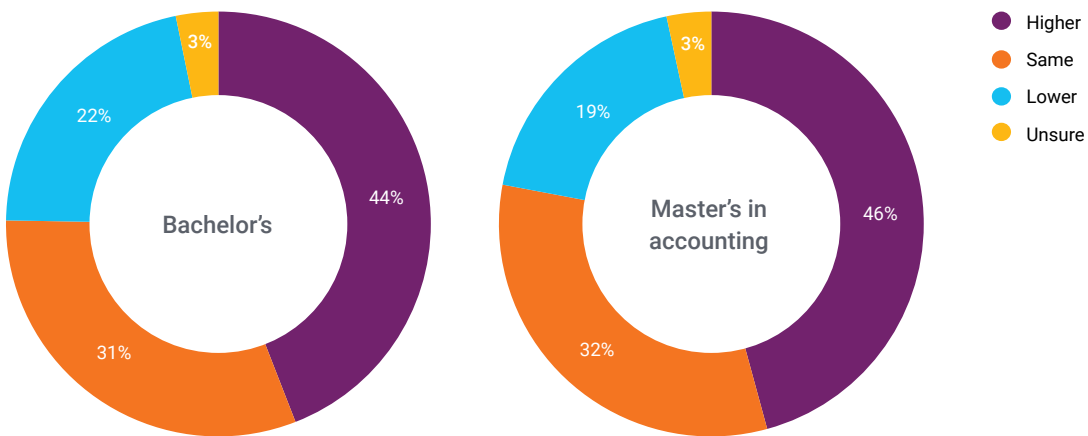
Source: IPEDS. These tables use the IPEDS definitions for new race and ethnicity categories.

### 1.4 Trends in accounting degree completions by degree and institution type | 2013–22



Source: IPEDS

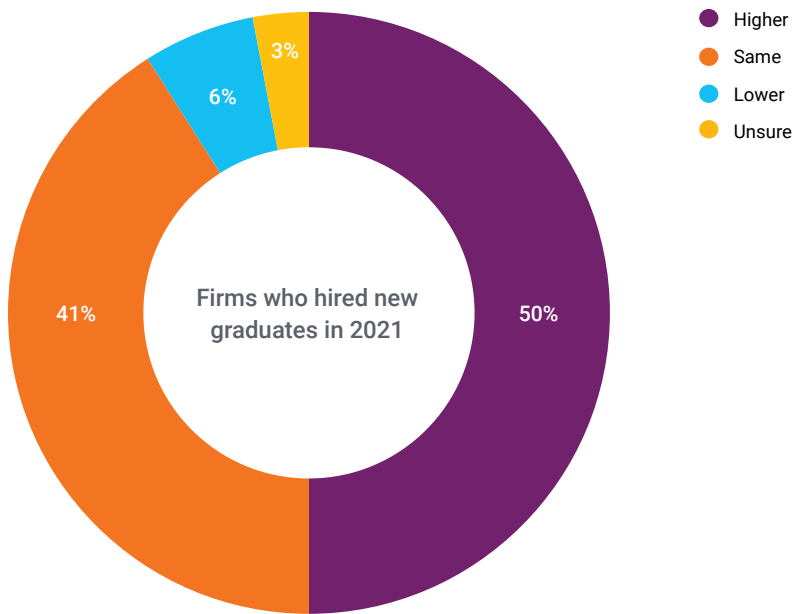
### 1.5 Accounting program enrollment expectations | 2023–24 compared to 2021–22



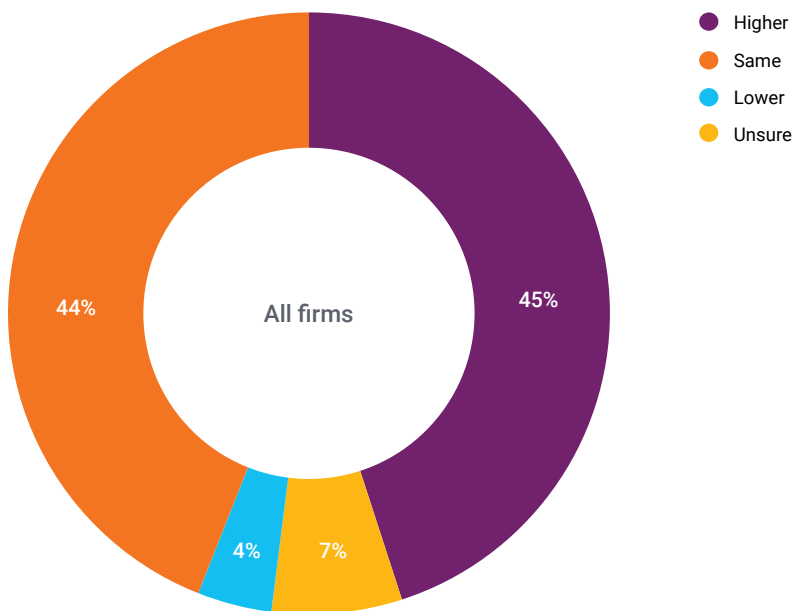
# Trends in Demand



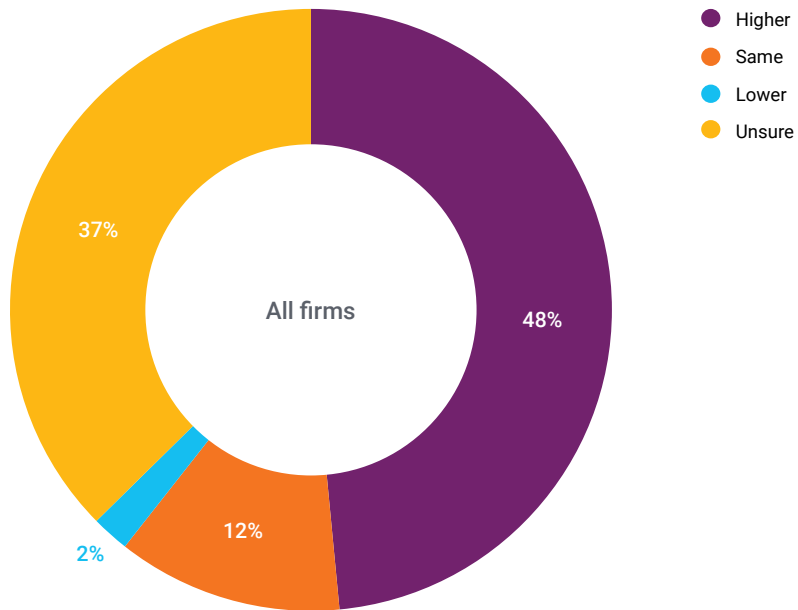
2.1 Expectations of U.S. CPA firms (who hired new graduates in 2021) of hiring into accounting/finance functions | 2022 vs. 2023



2.2 Expected number of nonpartner non-CPAs on staff in accounting/finance functions of U.S. CPA firms | 2022 vs. 2023

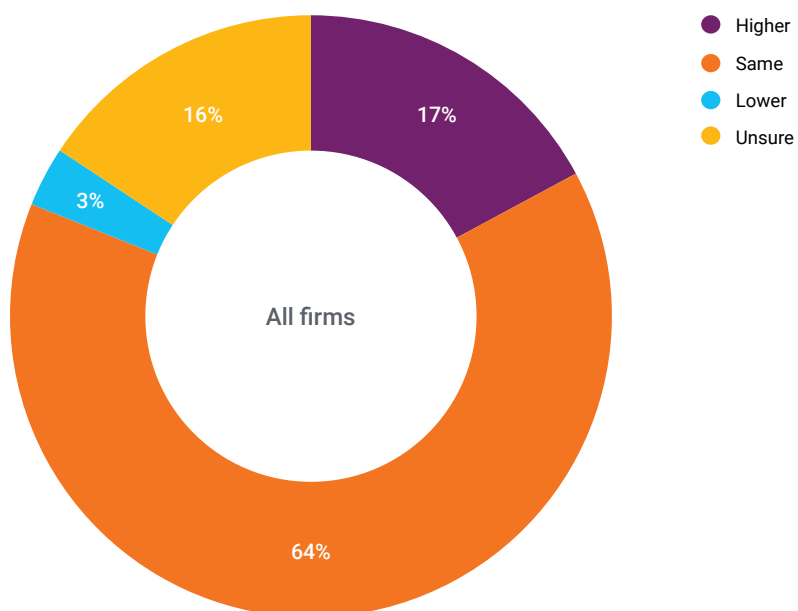


### 2.3 Expected number of nonpartner CPAs on staff in accounting/finance functions of U.S. CPA firms | 2022 vs. 2023



Due to rounding, values may not equal 100%

### 2.4 Expected partners on staff in accounting/finance functions of U.S. CPA firms | 2022 vs. 2023



U.S.  
CPA  
Examination



# U.S. CPA Examination

The Uniform CPA Examination® (the CPA Exam or the Exam) is the gateway to the CPA profession.

The CPA Exam provides reasonable assurance to boards of accountancy that individuals who pass the Exam possess the technical knowledge and skills necessary for initial licensure.

The Exam, currently comprises the following four 4-hour sections:

- ▶ Auditing and Attestation (AUD)
- ▶ Business Environment and Concepts (BEC)
- ▶ Financial Accounting and Reporting (FAR)
- ▶ Regulation (REG)

The AICPA's Examinations team, with oversight by its Board of Examiners (BOE), works with volunteers from the profession, academia, and boards of accountancy to ensure the exam remains fair, legally defensible, and aligned with the work of newly licensed CPAs (nCPAs). In accordance with BOE policy, the team continually monitors and updates content based on changes to standards, regulations, and laws to keep the Exam current and relevant to the profession.

The CPA Exam aligned with the CPA Evolution Licensure Model (CPA Evolution) will launch in January 2024. The CPA Evolution initiative is transforming the CPA licensure model to recognize the rapidly changing skills and competencies that the practice of accounting requires today and will require in the future. Exponential growth in

new rules, concepts, and standards — along with changes in the roles and responsibilities of nCPAs — have caused the body of knowledge required of nCPAs to grow. CPA Evolution establishes a foundation for the most important and relevant topics that all nCPAs need to know to protect the public interest, while providing an opportunity for candidates to choose one of three disciplines.

Under CPA Evolution, all candidates will be required to pass three core exam sections covering Auditing and Attestation (AUD), Financial Accounting and Reporting (FAR), and Taxation and Regulation (REG).

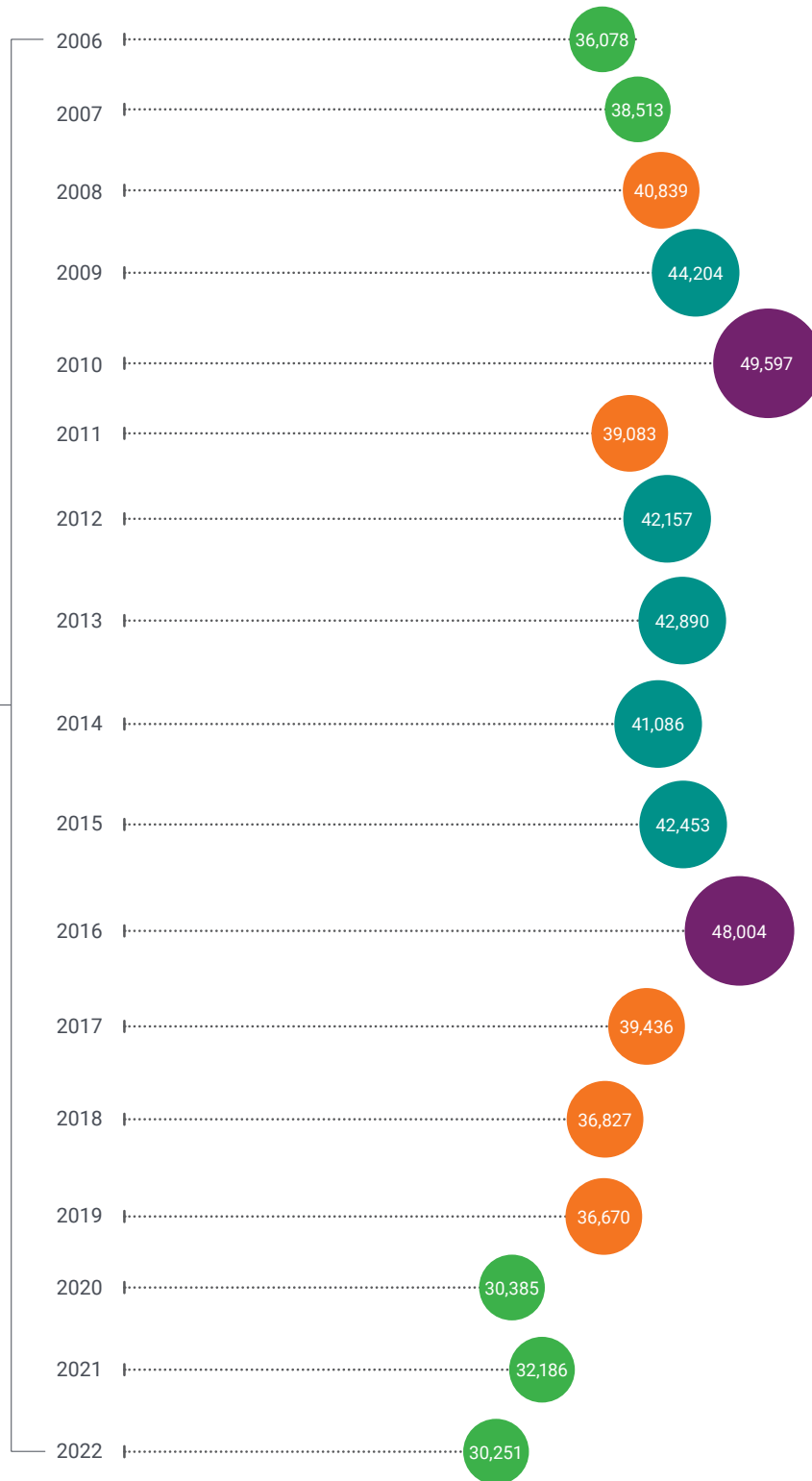
Each candidate will also choose one discipline section<sup>1</sup> — Business Analysis and Reporting (BAR), Information Systems and Controls (ISC), or Tax Compliance and Planning (TCP) — to demonstrate knowledge and skills in that particular domain. The disciplines will focus on topics that apply to nCPAs engaged in those areas of practice and are less likely to be encountered by nCPAs outside of those areas of practice. Regardless of a candidate's chosen discipline, CPA Evolution leads to CPA licensure, with rights, privileges, and responsibilities consistent with the present CPA license. CPA professional practice is not limited by the discipline passed; professional standards provide guidance related to required competence and due care when performing professional services.

Potential candidates can learn [what to study for the CPA Exam](#) and find out additional details, including the CPA Exam Blueprints effective January 2024.

<sup>1</sup> Passing one Discipline Exam section is required for licensure. Once a candidate passes a Discipline Exam section, they cannot take another Discipline Exam section. If a candidate takes a Discipline Exam section and does not pass, or loses credit for a passed Discipline Exam section, they can choose to take any of the Discipline Exam sections.

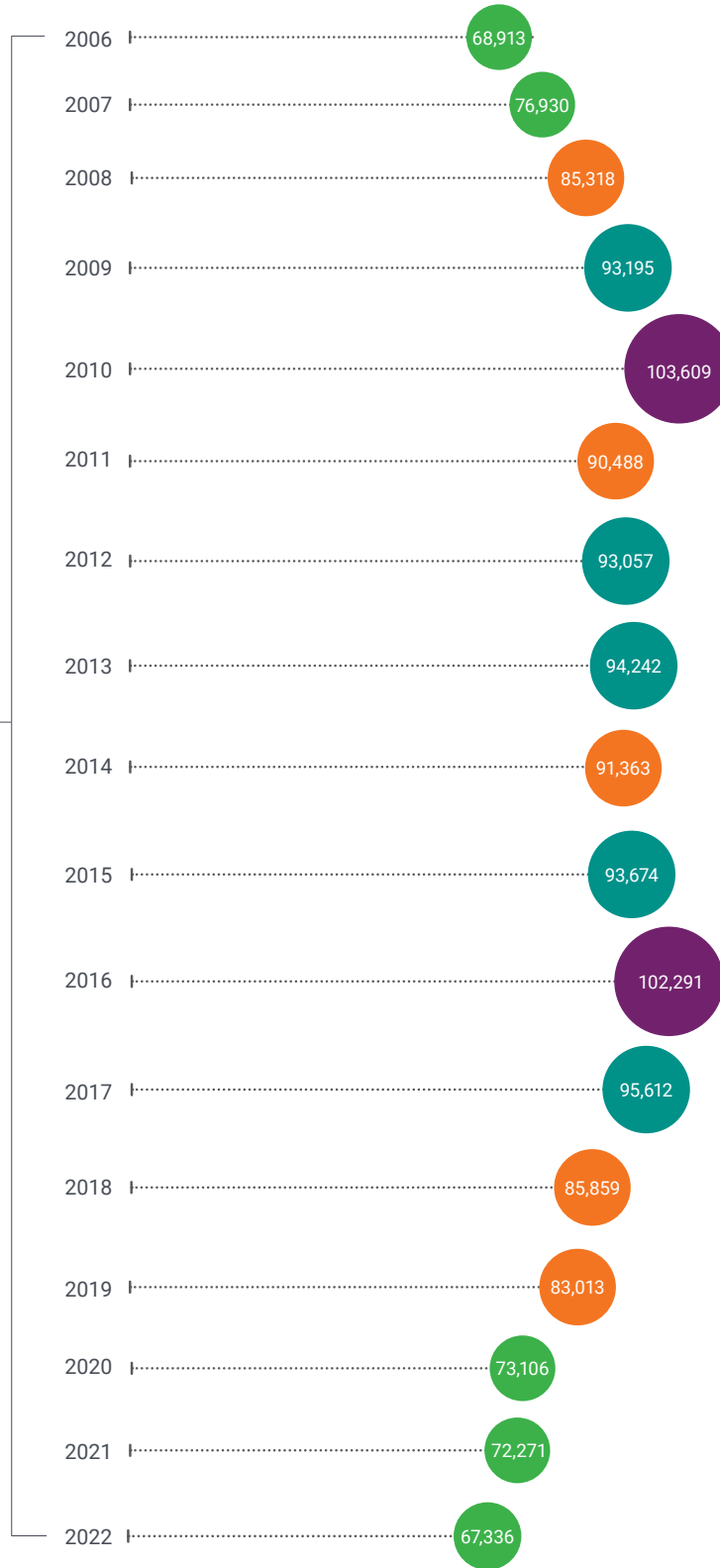


### 3.1 Trends in the number of new CPA candidates by year | 2006-22



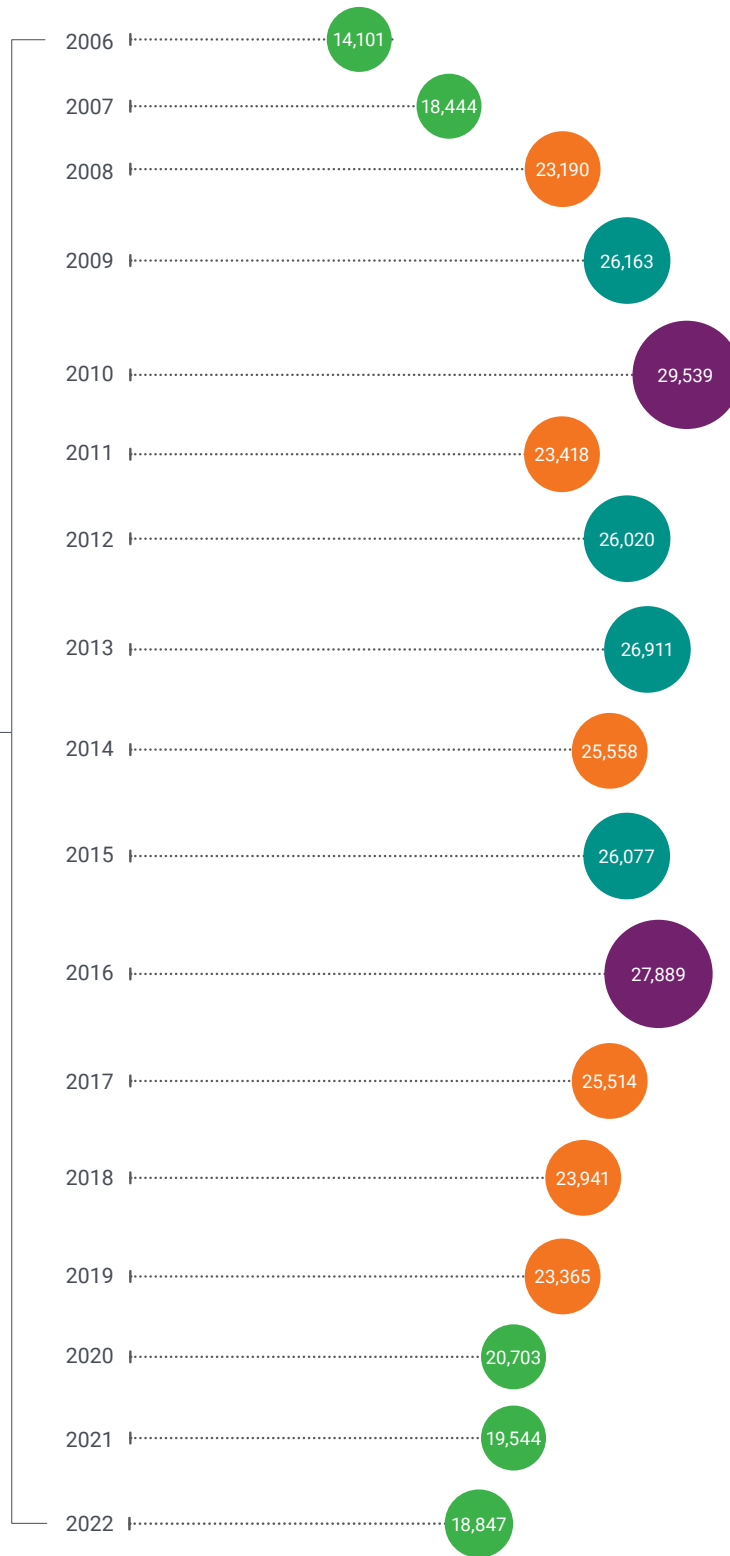
Source: AICPA Exams Team

### 3.2 Trends in the number of unique CPA candidates by year | 2006-22



Source: AICPA Exams Team

### 3.3 Trends in the number of CPA candidates who passed their 4th section of the CPA Examination by year | 2006-22



Source: AICPA Exams Team

CPA  
pipeline  
initiatives  
and  
programs



# CPA pipeline initiatives and programs

## Building the future profession

The CPA pipeline is a shared priority for everyone in the accounting profession. The AICPA has taken many steps to strengthen the profession's talent outlook, and convening the National Pipeline Advisory Group is among the most important steps taken. The group is assessing factors contributing to trends in accounting majors and CPA licensure and will develop a cohesive, agile national plan for the profession that is inclusive of its many stakeholders. The group, which began meeting in July, includes leaders from state CPA societies, state boards of accountancy, academia, the AICPA & CIMA National Commission on Diversity and Inclusion, firms of all sizes, and business and industry.

The National Pipeline Advisory Group's work is part of a multipronged approach that includes an intensive effort to use technology and in-person forums to solicit insights and input from a diverse array of groups around the country.

A resolution passed by AICPA Council members in May 2023 called for a collaborative process resulting in a research-driven national pipeline strategy that, among other things, addresses the image of the profession as well as educational and experience requirements, and outlines short- and long-term solutions to the profession's human capital needs. The resolution also supported continued work on the **Pipeline Acceleration Plan**, a set of key initiatives aimed at addressing root causes of the slowdown in people choosing accounting as a career and pursuing CPA licensure.

## Pipeline Acceleration Plan

The Pipeline Acceleration Plan has been developed to not only raise awareness and update the image of the profession but also to provide quality training; support improved firm culture and business models; promote diversity, equity, and inclusion; and partner with colleges and universities to secure the future of the profession.

The following programs are just some of the key initiatives within the plan that address these goals.

## Experience Learn and Earn (ELE) program

The AICPA and NASBA are launching an integrated education and experience program to assist students with completing the 150 credit hours of education required for CPA licensure. The ELE program combines meaningful online academic coursework with work experience. The program allows students to earn up to 30 educational credit hours through asynchronous courses from our partners (we are currently piloting with Tulane University) while they are employed with a CPA firm.

Registration and enrollment begins this fall and the first cohort of student associates will begin classes in January 2024.

Participating firms will give student associates time to study and learn, allow them to apply what they learn during their client engagements, and provide mentoring regularly. As the program expands, we expect additional universities to participate and increase learning offerings to address both firm and employee associate needs more comprehensively. If a student associate needs the full 30 credit hours, the total cost will be under \$5,000, and less if fewer credits are needed.

Find out more about the [ELE program here](#).

## Addressing firm culture and business-model challenges

The AICPA's Private Companies Practice Section (PCPS) "Transform Your Business Model" project will provide ongoing resources that support and enable changes within firms to create cultures that attract, retain, and develop talent from diverse backgrounds. Creating a culture focused on the success of people within firms will, in turn, strengthen firms and the profession.

The resources will focus on the following areas, to be released in stages through 2024 and beyond:

- ▶ Strategy – launched May 2023
- ▶ Talent
- ▶ Service offerings
- ▶ Technology
- ▶ Governance

To view the most currently available resources, please visit [Transforming Your Business Model](#).

## High school/college initiatives

The AICPA, in coordination with numerous stakeholders, is working on a number of initiatives aimed at high school and college educators and students to help support the growth of the CPA pipeline. These initiatives include, but are not limited to the following:

- ▶ Growing the **Academic Champions** program, a network of direct relationships with active educators who act as CPA advocates and share university best practices.
- ▶ Expanding broad educator outreach by growing audiences for the **Faculty Hour** webcast series and **Academic Update** newsletter.
- ▶ Collaborating with state CPA societies on the **Accounting Opportunities Experience** (previously known as Accounting Opportunities Week), a week-to-month-long program designed to raise awareness of accounting career opportunities among high school students by bringing CPAs into the classrooms.
- ▶ Working with the College Board to include accounting and finance in AP Business Principles.
- ▶ Launching the **AICPA & CIMA Student Ambassador Program** by working with students who champion CPA across digital platforms and AICPA events. The purpose of the program is to build trust, foster relationships, and provide leadership opportunities for students.
- ▶ Hosting students from ethnic minority populations to learn about the benefits of a career in the accounting profession through the **Accounting Scholars Leadership Workshop (ASLW)**. ASLW participants will join in learning sessions and panel discussions covering a wide array of topics such as developing leadership skills and the CPA Exam. Participants will also have the opportunity to interact with CPA professionals who will share priceless knowledge regarding career opportunities in accounting and the value of networking. The AICPA Foundation and sponsors throughout the profession cover the cost of student attendance.

## STEM

The AICPA is engaged in a multipronged effort to gain recognition for accounting as a STEM field to highlight the versatility of accounting careers and to allow access to federal STEM education funding and other beneficial policies for students and prospective employers. These efforts include

- ▶ advocating for bipartisan, bicameral legislation (S. 1705/ H.R. 3541) that would allow STEM K–12 grant funding to be used for accounting awareness and education, with a focus on increasing access to underrepresented populations; and
- ▶ working with colleges and universities to expand accounting curricula to include additional technology-focused courses and to reclassify their accounting programs to reflect STEM curricula, including the use of CIP codes that align with Department of Homeland Security-approved STEM codes.

Read up on [the latest on the STEM initiative here](#).

## Endowment – AICPA Foundation

The AICPA Foundation was established in 1922 to advance accounting as a learned profession and has worked to promote its future through accounting education and outreach; scholarships and fellowships; and diversity and inclusion.

The AICPA Foundation continues the mission today by fundraising and awarding **scholarships** and financial support to accounting students, accounting graduates, and CPA candidates who are in financial need to assist them in their journey to either a CPA-PhD or a CPA licensure. In 2023, the Foundation awarded about \$2.1M, with over 60% of the funds directed to a diverse mix of organizations and members within the accounting profession.

Learn more about the [AICPA Foundation here](#).

## Additional initiatives

### *Extending 18-Month Exam Credit Window*

In April 2023, NASBA voted to amend a model rule in the Uniform Accountancy Act to extend the length of conditional credit for CPA Exam candidates from 18 months to 30 months. NASBA further voted to base the calculation of conditional credit for Exam sections passed on the date that scores are released. Exam candidates remain under the existing rules pending decisions by their respective state boards of accountancy about the recommended rule change.

### *Expansion of Section 529 Funds*

The AICPA and state CPA societies are working with federal legislators on the Freedom to Invest in Tomorrow's Workforce Act (H.R. 1477), which would allow the use of Sec. 529 college savings plans to include expenses required to obtain or maintain postsecondary credentials, including CPA-related costs such as exam review courses.



# Appendix — Methods

## Supply methodology

A census of colleges and universities granting accounting degrees was invited to participate (n=1,174). Universities received an email invitation, including a personalized survey link. Participants were reminded at varying intervals to complete the survey.

- ▶ The survey opened on Nov. 3, 2022.
- ▶ The survey closed on Jan. 26, 2023.
- ▶ Response rate was 8% (n=97).

## Demand methodology

A census of public accounting firms was invited to participate (n=20,754). The data were collected in two waves. In both waves, firms received an email invitation, including a personalized survey link. Participants were reminded at varying intervals to complete the survey. Those who were invited to participate in wave 2 were all firms who did not respond in wave 1.

- ▶ The wave 1 survey opened on Nov. 4, 2022, and closed on Jan. 26, 2023.
- ▶ The wave 2 survey opened on March 28, 2023, and closed on May 17, 2023.
- ▶ The total response rate, including waves 1 and 2, was 1.7% (wave 1 n=264, wave 2 n= 92, total n=356).

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



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