

Tennessee CPA JOURNAL

SEPTEMBER/OCTOBER 2021

A PUBLICATION OF TSCPA



**TSCPA Awards
\$250,000 IN
SCHOLARSHIPS**

PAGE 26



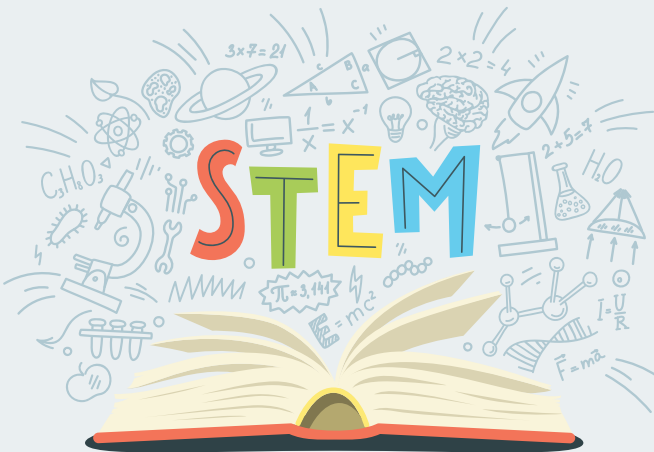
Accounting Profession Gathers “STEAM”

Proposed Legislation Bolsters STEM Curriculum

By *Catie Scott and Patrick Lewis, CPA, CGMA*

“STEM,” or science, technology, engineering, and mathematics education, has been a part of the infrastructure of the education system in the United States since the 1960s when the space race with Russia prioritized science and technology. In 2011, then-President Barack Obama asked Congress to reprioritize STEM education, emphasizing that “(t)his is our generation’s Sputnik moment.”¹ Now, U.S. Representatives Haley Stevens (D-MI) and Victoria Spartz (R-IN) are taking STEM education one step further. They have introduced a piece of bipartisan legislation called the Accounting STEM Pursuit Act of 2021, which would add accounting to the STEM curriculum.²

The impact this legislation will have on the accounting field is significant, as the number of Certified Public Accountants (CPAs) and CPA candidates continues to decline each year. Baby boomers are retiring, and fewer high school graduates are entering the accounting profession.³ CPA Practice Advisor reports that U.S. accounting roles are the fifth hardest positions to fill in the nation.⁴ Additionally, as a result of the pandemic, many students chose to defer enrollment in community colleges and four-year colleges/universities, resulting in a nationwide “13.1 percent drop [in] first-time students enrolling at U.S. colleges in Fall 2020.”⁵ This is troubling news as analysts estimate that from 2018 to 2028 there will be more than 90,000 jobs created in the accounting and auditing fields. The recent drop in students means there may not be enough new graduates to fill those roles.⁶



The Accounting STEM Pursuit Act of 2021 would be a step in the right direction for the profession, growing talent earlier by exposing children in kindergarten through 12th grade to the principles of accounting. A “STEAM,” or science, technology, engineering, accounting and mathematics curriculum would further promote the profession as a rewarding career opportunity and create diversity in the workforce.⁷ PYA, a national accounting and healthcare management consulting firm, supports this bill as does TSCPA, the American Institute of Certified Public Accountants (AICPA), the Center for Audit Quality, the Diverse Organization of Firms, and the National Association of Black Accountants, Inc. (NABA).

The legislation will ideally create a pipeline of generations of future accountants—both CPAs and non-CPAs. While some accountants decide to undergo testing to receive certification, individuals with a background in and knowledge of accounting principles are equally valuable in the workplace. Regarding non-CPAs, one Accounting Today article notes that “more CPA firms will be hiring non-CPAs [as] client accounting services are growing at two times the median CPA firm growth rate.”⁸ A majority of CPA firms employ both CPAs and non-CPAs; both are instrumental in partnering with clients to deliver consistent, cost-effective accounting and advisory services.

Additionally, the bill would not only promote the accounting profession and lead to the growth of talent in all areas of the field, but STEM education’s focus on technology goes hand-in-hand with the way in which accounting professionals are embracing the evolution of technology in the 21st century. Cybersecurity, information technology (IT), and data analytics are all growing areas of technology within the accounting field, enhancing practitioners’ abilities to meet the evolving needs of clients, organizations, and governments around the world.⁹ Dr. Richard Townsend, Professor Emeritus at the University of Tennessee, agrees: “Technology expertise is now an essential requirement in any accountant’s education.”

Throughout Tennessee, other university professors renowned for their passion for educating the next generation have also voiced support for the Act. “Accounting is a rigorous, quantitative curriculum that certainly deserves to be recognized as one of the STEAM pillars,” said Dr. Perry Moore, Professor of Accountancy and Director of Accreditation at Lipscomb University in Nashville.

Dr. Terry Neal, Head of the Department of Accounting and Information Management at the University of Tennessee, Knoxville, said his department evaluates its curriculum regularly to stay on top of changes in the accounting discipline. More recently, the university has begun to highlight the importance and demand for technology and analytics education and training. “The inclusion of accounting as part of STEM is in line with those changes and will have the added benefits of distinguishing accounting students for the hard work associated with their in-depth study of technical content, as well as assisting accounting programs in the recruitment of a more diverse set of students who will be attracted to such a designation,” said Dr. Neal.

Randy Boyd, President of the University of Tennessee system, also had concerns about the number of people graduating from and eventually entering the accounting field. A global business owner and founder, he also understands the need for these skills for businesses to continue to run successfully. In 2013, Boyd took a year-long leave as CEO of his company to serve as the governor’s senior advisor on higher education. During that time, he helped create and launch the Drive to 55 initiative - an alliance of private sector and community and nonprofit leaders working to equip 55 percent of Tennesseans with a college degree by 2025. “When we first created the Drive to 55, we did a gap analysis of supply and demand for certain skills. Accounting was a major deficit. America runs on business, and accounting is the language of business. And of the nonprofit and public sector too,” Boyd said.

On the high school side of the equation, Beverly Anderson, Counselor at Bearden High School in Knoxville, also supports the inclusion of accounting in STEM education. Adding this to the high school curriculum is good for “opening students’ eyes to see how the mind of an accountant [works] . . . Students sometimes need a boost to foster encouragement and curiosity,” she said. “I’ve seen what the label ‘STEM’ has done for elevating students’ understanding of science, technology, engineering, and math—especially the genres of students who have been underrepresented, namely minorities and women.”

With the future passage of the Accounting STEM Pursuit Act of 2021, recruitment of accounting professionals out of high schools and community colleges might become the “new normal.” Many public accounting firms and corporations have focused on recruiting from four-year colleges/universities in the past; however, high school and community college populations will ideally yield strong accounting candidates in the future as a result of incorporating accounting into the U.S. STEM curriculum. Building a strong accounting foundation through the STEAM curriculum early in students’ academic careers could result in an increase in the number of accounting professionals prepared to enter the field, whether or not they pursue a four-year degree. The talent pool for qualified accounting candidates may not only be larger, but more diverse, and most importantly, prepared to meet

the accounting demands of organizations throughout the U.S. 🌐

ABOUT THE AUTHORS

Catie Scott serves as Director of Talent Acquisition at PYA, P.C. She can be reached at cscott@pyapc.com.

Patrick Lewis, CPA, CGMA, is the Director of Client Accounting Advisory Services at PYA, P.C. He can be reached at plewis@pyapc.com.

¹ Gunn, J. (2020). *The Evolution of STEM and STEAM in the U.S.* Retrieved from <https://resilienteducator.com>.

² AICPA Supports Accounting STEM Pursuit Act, Which Creates Important Link Between Accounting and STEM. (2021). Retrieved from <https://www.aicpa.org>.

³ Silvani, V.(2019). *Accounting shortage update: What to expect heading into 2020.* Retrieved from <https://www.gogravity.com>.

⁴ *The Pipeline Decline Demystified?* (2021). Retrieved from <https://www.micpa.org>.

⁵ Ash, Paul and Pirolli, William. (2021). *Adapt + Thrive* [34].

⁶ Silvani, V.(2019). *Accounting shortage update: What to expect heading into 2020.* Retrieved from <https://www.gogravity.com>.

⁷ Cohn, M. (2021). *Bill would make accounting part of STEM education.* Retrieved from <https://www.accountingtoday.com>.

⁸ Lee, Daniel. (2019). *The accounting professional of the future: Non-CPAs?* Retrieved from <https://www.accountingtoday.com>.

⁹ AICPA Supports Accounting STEM Pursuit Act, Which Creates Important Link Between Accounting and STEM. (2021). Retrieved from <https://www.aicpa.org>.

ACCOUNTING STEM PURSUIT ACT

TSCPA and the AICPA are advocating for accounting to be recognized as a Science, Technology, Engineering and Math (STEM) curriculum under the technology field.

Recently, TSCPA requested legislative representatives to cosponsor H.R.3855, the Accounting STEM Pursuit Act. The bill establishes the accounting profession as a STEM career pathway and supports long-standing efforts to create more diversity in the future accounting workforce.

Specifically, it adds “activities to promote the development, implementation and strengthening of programs to teach accounting” to the list of allowable uses of grant funding under the Student Support and Academic Enrichment Grant program with a focus on increasing access to high-quality accounting courses for students through grade 12 who are members of groups underrepresented in accounting careers.

H.R.3855 is an important step towards having accounting recognized as a STEM field under technology. The accounting profession heavily relies on technology, and CPAs and others that work in accounting utilize technology skills in areas that are both integral to the audit function and other services for American businesses, including IT auditing (which demands high-level technology knowledge and skills in order to evaluate IT infrastructure), artificial intelligence, blockchain, data analytics, forensic and predictive accounting, and cybersecurity. This bill, because it recognizes accounting as a STEM field, would increase student engagement with the accounting profession and, at the same time, promote diversity in the accounting workforce.