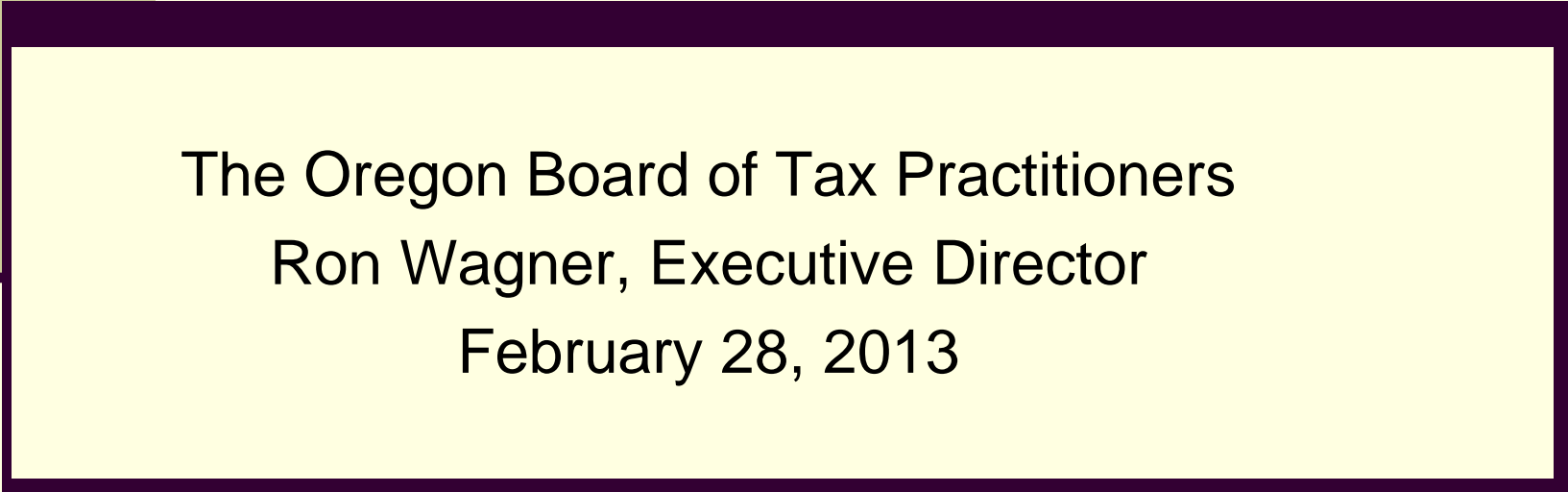




Joint Committee on Ways and Means  
Subcommittee on General Government



The Oregon Board of Tax Practitioners  
Ron Wagner, Executive Director  
February 28, 2013

# Agency Mission

---

**The Oregon Board of Tax Practitioners  
protects consumers by ensuring that  
Oregon tax professionals are competent  
and ethical in their professional activities.**

# Program Priorities

---

- Examination
  - Board administered
  - Proctor sites
- Continuing Education requirements
- Licensing annually
- Compliance
  - Auditing of CE hours
  - Unlicensed activity
  - Return of records
  - Failure to comply with rules
  - Incompetence/negligence
  - Confidentiality

# Key Budget Drivers and Issues

---

- 100% self funded
  - Fees come from license fees, exam fees and fines
  - Last fee increases in 2008; a fee decrease in 2011.
  
- Continuing Professional Education.
  
- Same level of staffing since June 2008.
  
- Average 971 exams given each year over the last 5 years.
  
- Average 570 new licenses issued over the last 4 years, replacing those who do not renew each year. Total licensees remains static.
  
- Approximately 4,263 licenses and 1,500 business registrations processed each year.

# Information Technology

---

- The Board seeks to maintain a level of information technology that meets the needs of the Board and licensees.
- The board is currently working with NIC-USA and DAS – ETS Application Development to create an on-line registration system. We are currently working on the business requirements.
  - Goal – to have on-line registration for LTPs in September 2013.
- New desktop computers were purchased at the end of 09-11 biennium. The board will purchase new computers in 15-17.
- Customer service survey online.

# Key Performance Measures

## 2009-2011 Results and Changes

- KPM #1      Average number of days to process annual license and registration renewals.  
Target = 5  
Actual = 5

The goal is to process annual renewal application in a timely manner. The data source will be the daily activity log.

- KPM #2      *The average number of days it takes the board to process exam applications.*  
Target = 5      Admin rule requirement is 30 hours.  
Actual = 5      Exceeds CE requirements by 25%.

The goal is to process exam applications in a timely manner. The data source will be the daily activity log.

# Key Performance Measures

## 2009-2011 Results and Changes

---

- KPM #3      Number of continuing education hours submitted.

Target = 45 hours

Actual = 38 hours

The goal is for licensees to exceed the minimum number of continuing education hours by 50% of the amount required by law. The data source is the amount self reported on the annual renewal applications.

- KPM #4      Response time to complaints.

Target = 8 hours

Actual = 2.5 hours

The goal is to initiate contact with a licensee against whom we have received a complaint. The data source is the compliance log book.

# Key Performance Measures

## 2009-2011 Results and Changes

---

- KPM #5      Customer service – Percent of customers rating their satisfaction with the agency's customer service as good or excellent.

Target = 90%

Actual = 76%

The percentage of customer satisfaction is impacted by the small number of customers responding to our on-line survey. In 2012 just 12 customers responded and took the survey.



# Best Practices

---

1. Executive Director's performance expectations are current.

BoTP has established clear performance expectations for the Executive Director. This includes overall expectations via an updated position description, as well as any specific expectations.

2. Executive Director's performance has been evaluated in the last year.

Executive Director's annual performance evaluation was completed July 12, 2012.

3. The agency's mission and high-level goals are current and applicable.

The Board mission is stated on the agenda for every Board and committee meeting. The Board review the Annual Performance Progress Report. OBTP actively participates in the development of the strategic plan and performs a review of biennial report on the plan.

4. BoTP actively participates in the development of the strategic plan and performs a review of biennial report on the plan.

Performance measures are reviewed as part of the budget.

# Best Practices

---

5. The Board is appropriately involved in review of agency's key communications.

All press releases are reviewed by the board chair. The newsletter is reviewed by the board chair. All minutes and agendas are reviewed and approved by the board.

6. The Board is appropriately involved in policy-making activities.

The Board of Directors are involved in all steps of and provide final decision making for legislative concepts and proposed administrative rules.

7. The board's policy option budget packages are aligned with their mission and goals.

The board reviews the agency's requested budget at its September meeting.

# Best Practices

---

8. The Board reviews all proposed budgets.

The board reviews the proposed budget prior to submission to the agency's accountant.

9. The Board periodically reviews key financial information and audit findings.

Every meeting agenda includes a financial report, presented by the Executive Director and approved by the Board. The board reviews agency performance audits.

10. The Board is appropriately accounting for resources.

The Board office does not receive cash payments. A lockbox system directs cash receipts to the deposit, and the State Treasury submits revenue reports to the Board.

The Board has procedures and internal controls to assure timely review and data entry of all revenue.

The Board maintains an inventory of all assets including an annual audit and report of susceptible assets.

# Best Practices

---

11. The Board adheres to accounting rules and other relevant financial controls.

All accounting services are performed by DAS using appropriate accounting standards for governmental agencies.

Board office procedures reconcile internal bookkeeping and accounting records with monthly DAS reports.

12. Board members act in accordance with their roles as public representatives.

Conflict of interest and voting rules are included in every meeting agenda to assist Board members when participating in decision-making process.

Assigned AAG attends Board meetings to advise Board members regarding ethical requirement and other obligations of public representatives.

Board members are required to obtain ethics training as part of the continuing professional education requirements.

# Best Practices

---

The Board developed a Consumer Protection Notice that is distributed to inform the public of the consumer protection afforded them.

13. The Board coordinates with others where responsibilities and interests overlay.

OBTP coordinates with its stakeholders. Example: works with OATC, OSTC, OAIA, BOA, and AAG in preparation of legislative concepts. OBTP coordinates with the Government Accountability Office on national licensure.

14. The Board members identify and attend appropriate training sessions.

Board members utilize the Governor's Board training. Board members will regularly review the Membership Handbook for Boards and Commissions located at: <http://governor.oregon.gov/Gov'pdf/forms'Handbook.pdf>

# Best Practices

---

15. The board reviews its management practices to ensure best practices are utilized.

OBTP provides annual review of these 15 best practices and provides regular feedback through the Executive Director.

# GRB Essential Budget Level Packages

---

- Standard, DAS calculated amounts for inflation and vacancy factor adjustments.
  - The overall budget reflects a 6% across-the-board increase from the 2011-13 Legislatively Approved Budget.
  - The overall budget reflects a 1.5% decrease from the Current Service Level in the Governor's Balanced Budget.
  - The Board agrees with the adjustments made in the Governor's Balanced Budget.

# Revenue/fees

---

- No fee increase – last fee increase was 2008
- Tax preparer annual license fee - \$80
- Tax consultant annual license fee - \$95
- Business registration fee - \$110
- Tax consultant/Business registration fee – combo - \$155
- Exam fee – preparer - \$50
- Exam fee – consultant - \$85
- Exam fee – consultant, state only - \$85
- College Proctor fees - \$15 - \$40
- Board reduced the fee for initial prepare licensure from \$80 to \$50 beginning September 1, 2011.
  
- Stakeholder support (Oregon Society of Tax Consultants/ Oregon Association of Tax Consultants/ Oregon Society of Enrolled Agents/ Oregon Association of Independent Accountants)