

BUDGET REPORT AND MEASURE SUMMARY

Joint Committee On Ways and Means

Action:

Action Date:

Vote:

Prepared By: Travis Miller, Department of Administrative Services

Reviewed By: Krista McDowell, Legislative Fiscal Office

Agency: Board of Tax Practitioners

Biennium: 2015-17

Budget Summary*

	2013-15 Legislatively Approved Budget ⁽¹⁾	2015-17 Current Service Level	2015-17 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ 1,183,845	\$ 1,242,678	\$ 1,242,678	\$ 58,833	5.0%
Total	\$ 1,183,845	\$ 1,242,678	\$ 1,242,678	\$ 58,833	5.0%

Position Summary

Authorized Positions	4	4	4	0
Full-time Equivalent (FTE) positions	4.00	4.00	4.00	0.00

⁽¹⁾ Includes adjustments through December 2014

* Excludes Capital Construction expenditures

Revenue Summary

The Board of Tax Practitioners’ revenues are exclusively Other Funds and principally derived from annual licensing and business registration fees. Fees are also charged for the administration of licensing examinations. License (new and renewal), application and exam fees comprise nearly 95 percent of all revenue collected by the Board. The remaining revenue is derived from civil penalties and interest.

Summary of General Government Subcommittee Action

The Board protects consumers by ensuring Oregon tax practitioners are competent and ethical in their professional activities. The Board carries out its mission through three primary programs, Licensing, Examination and Education and Compliance Enforcement. The Licensing Program provides licenses to those people who have demonstrated their competence and ethical standards established by the Board. The Examination and Education Program coordinates the administration of competency examinations to new applicants to ensure their comprehension of the state and federal tax code prior to being issued a license. The program also monitors the continuing education requirements by reviewing and approving courses that will enhance the licensee's knowledge of the tax law. The Compliance Enforcement Program researches all complaints and possible violations of the laws and rules governing tax preparation.

The Subcommittee approved a budget of \$1,242,678 Other Funds. The approved budget is a 5.0 percent increase from the 2013-15 Legislatively Approved Budget. It includes four positions and 4.00 full-time equivalents (FTE).

Additionally, the Board is currently undergoing a recruitment process for the Executive Director position. Once the position is filled it is anticipated that the agency will seek to update components of its current licensing system. The approved budget does not authorize any additional

expenditure limitation for actions beyond the agency's current service level. If the agency determines additional expenditure limitation is needed for the licensing system project, the request will be made in the interim, at which point the agency may present the project budget and other foundational documents necessary for additional expenditure authorization approval.

The Subcommittee approved the following adjustments to the Board's current service level budget:

Package 801: LFO Analyst Adjustments. This package is a revenue reduction package in the amount of \$95,480 Other Funds. This reduction reflects the \$10 temporary licensing fee reduction that was implemented by the Board in August, 2013. Based on this revenue adjustment the anticipated ending fund balance is \$268,152, which calculates to an equivalent of 5.18 months of operating expenditures.

Summary of Performance Measure Action

See attached Legislatively Adopted 2015-17 Key Performance Measures

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5038-A

Oregon Board of Tax Practitioners
Travis Miller -- (503) 373-1109

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2013-15 Legislatively Approved Budget at Dec 2014 *	\$ -	\$ -	\$ 1,183,845	\$ -	\$ -	\$ -	\$ 1,183,845	4	4.00
2015-17 Current Service Level (CSL)*	\$ -	\$ -	\$ 1,242,678	\$ -	\$ -	\$ -	\$ 1,242,678	4	4.00
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR010-01 - General Program									
Package 801: LFO Analyst Adjustment Revenue Only	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 1,242,678	\$ -	\$ -	\$ -	\$ 1,242,678	4	4.00
% Change from 2013-15 Leg Approved Budget	0.0%	0.0%	5.0%	0.0%	0.0%	0.0%	5.0%		
% Change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		

*Excludes Capital Construction Expenditures

Legislatively Approved 2015-2017 Key Performance Measures

Agency: TAX PRACTITIONERS, BOARD of

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

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - The average number of days it takes the board to process annual license and registration renewals.		Approved KPM	2.00	5.00	5.00
2 - The average number of days it takes the board to process exam applications.		Approved KPM	2.00	5.00	5.00
3 - CONTINUING EDUCATION HOURS SUBMITTED - Average number of continuing education hours licensees receive annually (at least 30 hours are required for annual renewal).		Approved KPM	38.00	44.00	44.00
4 - RESPONSE TIME TO COMPLAINTS - Average number of hours to make an initial response to a consumer complaint.		Approved KPM	2.00	8.00	8.00
5 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Accuracy	Approved KPM	81.30	95.00	95.00
5 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Availability of Information	Approved KPM	72.70	95.00	95.00
5 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Expertise	Approved KPM	89.30	95.00	95.00
5 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Helpfulness	Approved KPM	87.00	95.00	95.00

Agency: TAX PRACTITIONERS, BOARD of

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
5 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Overall	Approved KPM	75.80	95.00	95.00
5 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Timeliness	Approved KPM	78.80	95.00	95.00
6 - EFFECTIVE GOVERNANCE - Percent of total best practices by the agency.		Approved KPM	100.00	100.00	100.00

LFO Recommendation:

Approve

Sub-Committee Action:

Approve