

HB 5001 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Rep. Gomberg

Joint Committee On Ways and Means

Action Date: 04/21/17

Action: Do pass with amendments. (Printed A-Eng.)

House Vote

Yeas: 9 - Gomberg, Holvey, Huffman, McLane, Nathanson, Rayfield, Smith G, Stark, Williamson

Exc: 2 - Smith Warner, Whisnant

Senate Vote

Yeas: 12 - DeBoer, Devlin, Frederick, Girod, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters

Prepared By: R Mark Miedema CPA, Department of Administrative Services

Reviewed By: Kim To, Legislative Fiscal Office

Board of Accountancy

2017-19

Budget Summary*

| | 2015-17 Legislatively Approved Budget ⁽¹⁾ | 2017-19 Current Service Level | 2017-19 Committee Recommendation | Committee Change from 2015-17 Leg. Approved | |
|---------------------|---|----------------------------------|-------------------------------------|--|----------|
| | | | | \$ Change | % Change |
| Other Funds Limited | \$ 2,508,591 | \$ 2,642,281 | \$ 2,640,028 | \$ 131,437 | 5.2% |
| Total | \$ 2,508,591 | \$ 2,642,281 | \$ 2,640,028 | \$ 131,437 | 5.2% |

Position Summary

| | | | | |
|--------------------------------------|------|------|------|--------|
| Authorized Positions | 8 | 8 | 8 | 0 |
| Full-time Equivalent (FTE) positions | 8.00 | 8.00 | 7.50 | (0.50) |

⁽¹⁾ Includes adjustments through December 2016

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Board is financed with Other Funds revenues derived almost exclusively from fees paid for professional licenses and examinations. The agency’s estimated 2017-19 ending fund balance is \$1,106,520 Other Funds, or the equivalent of approximately 10 months of operating expenditures.

Summary of General Government Subcommittee Action

The Board of Accountancy is charged with the regulation and licensure of public accountants. The Board administers examinations and licenses individual Certified Public Accountants (CPAs) and Public Accountants (PAs), as well as accounting firms. The Board is responsible for investigating complaints, renewing licenses and monitoring the continuing education of its licensees.

The Subcommittee recommended a budget of \$2,640,028 Other Funds and 7.50 full-time equivalent positions. The budget is below current service level, and reflects a 5.2% increase from the 2015-17 Legislatively Approved Budget.

The Subcommittee approved the following recommendations:

- Package 100: Investigator Reclassification - Reclassifies two Financial Investigator positions in order to recruit candidates who are required to be Certified Public Accountants. Reduces the Office Specialist 1 position by 0.50 FTE, recognizing the reduction in workload for that position gained from technological improvements in the license renewal process.

Summary of Performance Measure Action

See attached Legislatively Adopted 2017-19 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Board of Accountancy
 R Mark Miedema - (503) 378-4735

| DESCRIPTION | GENERAL FUND | LOTTERY FUNDS | OTHER FUNDS | | FEDERAL FUNDS | | TOTAL ALL FUNDS | POS | FTE |
|---|--------------|---------------|--------------|------------|---------------|------------|-----------------|-----|-------|
| | | | LIMITED | NONLIMITED | LIMITED | NONLIMITED | | | |
| 2015-17 Legislatively Approved Budget at Dec 2016 * | \$ - | \$ - | \$ 2,508,591 | \$ - | \$ - | \$ - | \$ 2,508,591 | 8 | 8.00 |
| 2017-19 Current Service Level (CSL)* | \$ - | \$ - | \$ 2,642,281 | \$ - | \$ - | \$ - | \$ 2,642,281 | 8 | 8.00 |
| SUBCOMMITTEE ADJUSTMENTS (from CSL) | | | | | | | | | |
| SCR 001 - Board of Accountancy | | | | | | | | | |
| Package 100: Investigator Reclass | | | | | | | | | |
| Personal Services | \$ - | \$ - | \$ (2,253) | \$ - | \$ - | \$ - | \$ (2,253) | 0 | -0.50 |
| TOTAL ADJUSTMENTS | \$ - | \$ - | \$ (2,253) | \$ - | \$ - | \$ - | \$ (2,253) | 0 | -0.50 |
| SUBCOMMITTEE RECOMMENDATION * | \$ - | \$ - | \$ 2,640,028 | \$ - | \$ - | \$ - | \$ 2,640,028 | 8 | 7.50 |
| | | | | | | | | | |
| % Change from 2015-17 Leg Approved Budget | 0.0% | 0.0% | 5.2% | 0.0% | 0.0% | 0.0% | 5.2% | | -6.3% |
| % Change from 2017-19 Current Service Level | 0.0% | 0.0% | -0.1% | 0.0% | 0.0% | 0.0% | -0.1% | | -6.3% |

*Excludes Capital Construction Expenditures

Legislatively Approved 2017 - 2019 Key Performance Measures

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Agency: Accountancy, Board of

Mission Statement:

The Board of Accountancy protects the public by regulating the practice and performance of all services provided by licensed accountants.

| Legislatively Approved KPMs | Metrics | Agency Request | Last Reported Result | Target 2018 | Target 2019 |
|--|-----------------------------|----------------|----------------------|-------------|-------------|
| 1. CUSTOMER SATISFACTION - Percent of customers rating satisfaction with agency services as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information. | Availability of Information | Approved | 82% | 90% | 90% |
| | Timeliness | | 83% | 90% | 90% |
| | Helpfulness | | 90% | 90% | 90% |
| | Overall | | 80% | 90% | 90% |
| | Accuracy | | 86% | 90% | 90% |
| | Expertise | | 86% | 90% | 90% |
| 2. Number of days from date of Complaints Committee recommendation to date of preliminary Board determination | | Approved | 20.30 | 25 | 25 |
| 3. Number of days from date of letter advising parties that an investigation has begun to completion of investigative report | | Approved | 440.40 | 155 | 155 |
| 5. Percentage of complaints wherein letters advising the parties of whether or not an investigation will be initiated are mailed within five business days of the receipt of the complaint | | Approved | 37% | 70% | 70% |
| 7. BEST PRACTICES - Percent of total best practices met by the Board. | | Approved | 100 | 100 | 100 |

LFO Recommendation:

LFO recommends approval of KPM and targets as presented.

SubCommittee Action:

Approved LFO recommendation.