

HB 5001 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Drew Cohen, Department of Administrative Services

Reviewed By: Michael Graham, Legislative Fiscal Office

Board of Accountancy

2021-23

PRELIMINARY

Budget Summary*

	2019-21	2021 - 23	2021-23	Committee Change from 2019-21	
	Legislatively Approved Budget ⁽¹⁾	Current Service Level	Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ 2,905,362	\$ 3,277,122	\$ 3,271,479	\$ 366,117	12.6%
Total	\$ 2,905,362	\$ 3,277,122	\$ 3,271,479	\$ 366,117	12.6%

Position Summary

Authorized Positions	8	8	8	0
Full-time Equivalent (FTE) positions	7.50	7.50	7.50	0.00

⁽¹⁾ Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Board of Accountancy is supported solely from Other Funds revenues. License (new and renewal), application and exam fees comprise approximately 94% of all revenue collected by the Board. The remaining revenue is received from civil penalties and from the sale of lists and public documents as allowed by law. With the adoption of the Subcommittee recommendations, the Agency's projected 2021-23 ending fund balance is approximately 15 months of operating expenses.

Summary of General Government Subcommittee Action

The mission of the Board of Accountancy is to protect Oregon consumers by ensuring only qualified licensees practice public accountancy in accordance with established professional standards and promulgated rules. The Board administers examinations and licenses individual Certified Public Accountants and Public Accountants, 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 \$3,271,479 Other Funds expenditure limitation and eight positions (7.50 FTE). This is a 12.6 percent increase from the 2019-21 legislatively approved budget. The Subcommittee recommended the following package:

- **Package 099: Microsoft 365 Consolidation.** Microsoft 365 is being consolidated within the office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Summary of Performance Measure Action

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

PRELIMINARY

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Board of Accountancy
Drew Cohen (971) 707-8779

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2019-21 Legislatively Approved Budget at Jan. 2021*	\$ -	\$ -	\$ 2,905,362	\$ -	\$ -	\$ -	\$ 2,905,362	8	7.50
2021-23 Current Service Level (CSL)*	\$ -	\$ -	\$ 3,277,122	\$ -	\$ -	\$ -	\$ 3,277,122	8	7.50
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 12000-001 - Operations									
Package 099: Microsoft 365 Consolidation									
Services and Supplies	\$ -	\$ -	\$ (5,643)	\$ -	\$ -	\$ -	\$ (5,643)		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ (5,643)	\$ -	\$ -	\$ -	\$ (5,643)	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 3,271,479	\$ -	\$ -	\$ -	\$ 3,271,479	8	7.50
% Change from 2019-21 Leg Approved Budget	0.0%	0.0%	12.6%	0.0%	0.0%	0.0%	12.6%	0.0%	0.0%
% Change from 2021-23 Current Service Level	0.0%	0.0%	-0.2%	0.0%	0.0%	0.0%	-0.2%	0.0%	0.0%

*Excludes Capital Construction Expenditures

PRELIMINARY

Legislatively Approved 2021 - 2023 Key Performance Measures

Published: 5/25/2021 4:44:07 PM

Agency: Accountancy, Board of

Mission Statement:

The mission of the Board of Accountancy is to protect Oregon consumers by ensuring only qualified licensees practice public accountancy in accordance with established professional standards and promulgated rules.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
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	90%	90%	90%
	Timeliness		92%	90%	90%
	Helpfulness		95%	90%	90%
	Overall		90%	90%	90%
	Accuracy		95%	90%	90%
	Expertise		96%	90%	90%
2. TIMELY COMPLAINT RESPONSE - Percentage of complaints filed wherein letters advising the parties of either an inquiry or investigation will be initiated and a letter advising the parties are mailed within five business days of the receipt of the initial complaint.		Approved		85%	85%
3. TIMELY REVIEW OF NEW COMPLAINTS - Number of days from the date of letter advising parties that an inquiry has been opened to completion of an inquiry report and approval from Director.		Approved		120	120
4. TIMELY INVESTIGATION - Number of days from the date of letter advising parties that an investigation has been opened to completion of investigation report and approval from Director.		Approved		240	240
5. BEST PRACTICES - Percent of total best practices met by the Board.		Approved	100	100	100
2. TIMELY COMPLAINT RESPONSE - 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.		Legislatively Deleted	64%	85%	
3. TIMELY INVESTIGATION - Average number of calendar days from date of letter advising parties that an investigation has begun to completion of investigative report.		Legislatively Deleted	311	240	
4. TIMELY CASE RESOLUTION - Average number of calendar days from date of Complaints Committee recommendation to date of preliminary Board determination.		Legislatively Deleted	217	25	

LFO Recommendation:

LFO recommends the following:

- Delete KPM #2 ("Timely Complaint Response") and replace it with a new KPM #2 to include letters advising the parties of either an *inquiry* or *investigation*. KPM #2 only addresses the investigation, but generally the Board initiates an inquiry as a first step. This change will more accurately measure the time between receipt of a complaint and advising the parties.
- Delete KPM #3 ("Timely Investigation") and replace it with two new KPMs. KPM #3 currently tracks the average number of calendar days from the date of the letter advising parties that an investigation has begun to completion of the investigative report. These new KPMs will break down these averages between the inquiry and investigation processes. This will more effectively measure the time it takes to complete a preliminary inquiry and/or the investigation.
- Delete KPM #4 ("Timely Case Resolution"). The current KPM does not provide any value as to how complaints are handled since it essentially measures the time between the complaints committee and the Board meeting.

- Approve KPM #1 and KPM #5 and their targets as presented.

In addition, LFO recommends the Board of Accountancy work with LFO and DAS CFO during the interim to document its data collection and processing methods to ensure that KPM data provided are accurate and that definitions of data elements are consistent from year to year.

SubCommittee Action:

Approved the LFO recommendation.

PRELIMINARY