

Board of Accountancy

	2019-21 Actual	2021-23 Legislatively Adopted	2021-23 Legislatively Approved *	2023-25 Current Service Level	2023-25 Governor's Budget
Other Funds	2,578,871	3,182,967	3,263,399	3,409,013	3,346,325
Total Funds	2,578,871	3,182,967	3,263,399	3,409,013	3,346,325
Positions	8	8	8	8	8
FTE	7.50	7.50	7.50	7.50	7.50

* Includes Emergency Board and administrative actions through December 2022.

Program Description

The Board of Accountancy (BOA or the Board) is a seven-member citizen Board that licenses and regulates public accountants. The Board administers examinations and licenses certified public accountants, public accountants, and accounting firms. The Board currently regulates approximately 8,300 licensees and 1,000 accounting firms, the number of which has remained steady over the last ten years. BOA staff administer the Board's programs, which include investigating and adjudicating complaints, renewing licenses, and monitoring the continuing education of its licensees. BOA's Other Funds come primarily from business registration fees, biennial licensing fees, and examination fees. BOA also receives a small amount of revenue through the sale of public information and assessment of civil penalties. The seven-member board is appointed by the Governor and is composed of five certified public accountants, one public accountant, and one member of the general public.

CSL Summary

The Board's 2023-25 current service level (CSL) budget is \$3,409,013 Other Funds and includes 8 positions (7.50 FTE). The CSL budget is a 4.5% increase from the 2021-23 legislatively approved budget, which is primarily due to adjustments for payroll expenses and standard inflation. At CSL, the Legislative Fiscal Office estimates that BOA will have a 2023-25 ending balance of \$2,857,651 Other Funds, which is equivalent to 20.1 months of operating reserves.

Policy Issues

The Board and its new Executive Director intend to re-envision BOA's licensure program at the operational and policy levels, using the complete turnover of all licensing staff in FY 2022 as an opportunity to reset and develop a plan to update, streamline and improve the Board's licensing function. This will include a full review against national best practices for licensure processes and an assessment of whether Oregon should join other Board of accountancy jurisdictions in outsourcing some processing functions to the expert staff at the National Association of State Boards of Accountancy (NASBA). From a budgetary perspective, the Board does not anticipate any need for additional resources in the 2023-25 biennium to develop and implement its licensing improvement plan. The planning process will, however, include a

budgetary perspective of whether and, if so, how BOA could operate with a different and potentially less costly staffing structure. The outcome of that process will be reflected in BOA's 2025-27 Agency Request Budget.

BOA last adopted a strategic plan in 2017, which largely accomplished its goals in the arena of complaint process efficiencies and case backlog reduction. With respect to its goals for licensure-related efficiencies, the Board and its staff have recently reconstituted its Laws and Rules Committee in the fall of 2022, which will develop an overall strategic plan update for licensing policy and operations improvements.

BOA is not requesting additional resources or proposing significant program changes in the 2023-25 biennium. BOA's 2023-25 Agency Request Budget was developed with a primary focus to allow the Board to continue its operational-level focus on improving program efficiency, given the complete turnover of licensing staff in FY 2022.

For 2023-25, BOA will focus on rebuilding its licensing operations with focus on process and policy improvements, as well as address its recovery from nearly complete staff turnover in FY 2022. Once the staffing situation improves, staff will resume its work in partnership with DAS regarding an integrated on-line licensure renewal system.

Governor's Budget Summary

The Governor's Budget is \$3,346,325 Other Funds and includes 8 positions (7.50 FTE). This is a 2.5% increase from the 2021-23 legislatively approved budget. The Governor's Budget enables BOA to continue existing levels of service, though it represents a 1.8% decrease from BOA's 2023-25 current service level.

Key Performance Measures

A copy of the BOA Annual Performance Progress Report can be found on the LFO website: [APPR BOA 2022-10-21.pdf](#) (oregonlegislature.gov)