

Agency 165

**Board of Accountancy**

**Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2013-15 Expenditure Authority</b>	11.3		2,680	2,680
<b>Total Maintenance Level</b>	11.3		2,717	2,717
Difference			37	37
Percent Change from Current Biennium	0.0%		1.4%	1.4%
<b>Performance Changes</b>				
Legal Services			1	1
CTS Central Services			3	3
DES Central Services			6	6
Core Financial Systems Replacement			1	1
Time, Leave and Attendance System			1	1
Self-Insurance Liability Premium			(2)	(2)
State Public Employee Benefits Rate			12	12
Nonrepresented Job Class Specific Increases			6	6
General Wage Increase for State Employees			58	58
<b>Subtotal</b>			86	86
<b>Total Proposed Budget</b>	11.3		2,803	2,803
Difference			123	123
Percent Change from Current Biennium	0.0%		4.6%	4.6%
<b>Total Proposed Budget by Activity</b>				
Regulation of Public Accountants	5.0		1,216	1,216
Investigation of Public Accountants	4.0		1,009	1,009
CPA Consumer Protection Information	2.3		578	578
<b>Total Proposed Budget</b>	11.3		2,803	2,803

**PERFORMANCE LEVEL CHANGE DESCRIPTIONS**

**Legal Services**

Agency budgets are adjusted to update each agency's allocated share of charges and to reflect a reduction in legal service charges. The Attorney General's Office (AGO) will work with client agencies to implement stricter policies and best practices regarding utilization of its services to achieve lower legal bills.

**CTS Central Services**

Agency budgets are adjusted to update each agency's allocated share of charges from Consolidated Technology Services (CTS) to reflect an increase in business continuity/disaster recovery costs and a new allocated charge for state data network costs.

## **GOVERNMENTAL OPERATIONS**

### **DES Central Services**

Agency budgets are adjusted to update each agency's allocated share of charges and to align with anticipated billing levels from the Department of Enterprise Services (DES) in the 2015-17 biennium, including changes to the enterprise systems fee, personnel services, and small agency financial services.

### **Core Financial Systems Replacement**

Agency budgets are adjusted to align with anticipated billings from the Office of Financial Management in the 2015-17 biennium for core financial systems replacement planning through the One Washington project.

### **Time, Leave and Attendance System**

Agency budgets are adjusted to align with anticipated billings for the Time, Leave and Attendance system, including debt service and project completion costs.

### **Self-Insurance Liability Premium**

Agency budgets are adjusted to reflect updated premium rates and a reduction in billings for the 2015-17 biennium.

### **State Public Employee Benefits Rate**

Health insurance funding is provided for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. Insurance for employees covered by the health insurance coalition is included in funding for their respective collective bargaining agreements. The insurance funding rate is \$913 per employee per month for Fiscal Year 2016 and \$947 per employee per month for Fiscal Year 2017. (General Fund-State, various other accounts)

### **Nonrepresented Job Class Specific Increases**

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State, various other accounts)

### **General Wage Increase for State Employees**

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 3 percent, effective July 1, 2015; a general wage increase of 1.8 percent for employees who earn \$2,500 a month or more, effective July 1, 2016; and a general wage increase of 1 percent plus a \$20 per month increase for employees who earn less than \$2,500 per month, effective July 1, 2016. This item includes both higher education and general government workers. (General Fund-State, various other accounts)

## **ACTIVITY DESCRIPTIONS**

### **Regulation of Public Accountants**

As required by Chapter 18.04 RCW, the Board of Accountancy administers exams and issues licenses to certified public accountants (CPAs), CPA firms, and firm owners to ensure public protection and the reliability of financial information. The board establishes and audits compliance with education, examination, good character, ethics, and experience requirements prior to licensure. To continue to meet established performance standards and ethics requirements, the Board reviews and monitors charges against CPAs and firms, and audits compliance with continuing professional education requirements. The Board is funded by license fees paid by CPAs, firms, and firm owners.

## **GOVERNMENTAL OPERATIONS**

### **Investigation of Public Accountants**

The Board of Accountancy investigates complaints related to the compliance of certified public accountants (CPAs), CPA firms, and firm owners with technical and ethical standards. These standards are established in state and federal laws, board rules, and by various accounting standards boards; U.S. General Accounting Office; federal Office of Management and Budget; Securities and Exchange Commission; Internal Revenue Service; and American Institute of Certified Public Accountants. The board also investigates and takes action against individuals illegally posing as CPAs.

### **CPA Consumer Protection Information**

The Board of Accountancy provides general and specific consumer protection information and is funded by license fees paid by CPAs, firms, and firm owners.