

Agency Strategic Plan

Board of Accountancy (226)

3/11/2014 8:42 am

Biennium: 2010-12 ▼

Mission and Vision

Mission Statement

The Virginia Board of Accountancy's (BOA) mission is to protect the citizens of the Commonwealth through a regulatory program of licensure and compliance of Certified Public Accountants (CPA) and CPA firms.

Vision Statement

To serve all citizens in a professional manner, enabling them to contribute to the Commonwealth's prosperity by entering and progressing in their chosen profession; to provide the most equitable, efficient, and economical means available to limit entry barriers to the marketplace; and to discipline those licensees who do not follow accepted ethical or professional standards.

Agency Values

- Exceptional Customer Service
Demonstrating a courteous, empathetic and helpful attitude while assisting each customer to reach their goal;
- Teamwork
Excelling mutually, the Board will work together with citizens and licensees to achieve the shared vision;
- Communication
Achieving enhanced understanding between the Board, the regulated community and the public through effective communications, interactions, and service;
- Financial Stewardship
Maintaining frugality with respect to the expenditures of public funds.

Executive Progress Report

Service Performance and Productivity

- *Summary of current service performance*
BOA continually evaluates its service performance through performance measures tied to the agency strategic goals and objectives.

During the 2008-2010 biennial report period, BOA maximized internal licensing efficiencies by implementing a commercial-of-the-shelf (COTS) licensing software application to enhance services to customers and decrease costs in the areas of education and examinations, licensing, and enforcement, and secured the application work environment by entering into a memorandum of understanding with the Department of Health Professions for hosting, licensing application and web maintenance services.

- *Summary of current productivity*
Since implementation of the new COTS licensing application in February, 2009, the BOA has shifted its focus on improving customer service delivery and to the implementation of a long-term business plan. The key focus of the agency during the 2010-2012 biennium will be to continue to enhance and modify application and website functionality, and improve internal business processes to ensure continuous improvement of service delivery to our customers.

99% of BOA's customers obtain services from the agency by submitting licensing applications or requests to sit for CPA exam sections online. Numerous agency and customer benefits such as improved staff productivity, decreased processing time, greater performance tracking and heightened traceability, reduced operational costs, and improved customer service delivery are achieved through our on-line system. Customers also have access to their historical transactions with the agency via the newly implemented licensing application.

There are many complex facets to the CPA regulatory license process, including exam and license application tracking, issuance and renewal of licenses, testing, license type monitoring, enforcement, and CPE and Peer Review. Each is dependent on the timely receipt and dissemination of information.

The BOA has also replaced its outdated "Flash Chat" with a free of charge (installed, hosted, and maintained) chat application provided by Virginia.gov. From the BOA website, customers can login to our agency chat and "speak" with office personnel without incurring the cost of telephoning into the office to have their questions answered.

Of the objectives reported during the last strategic report period, the BOA has completed the following:

- Implemented a new and broad-service (system) encompassing CPA examination and licensing application processing.
- Transformed the agency to the VITA/NG managed IT environment.
- Decreased the time it takes to process license applications.
- Implemented and issued a revised Continuity of Operations Plan (COOP).
- Created a Pandemic Influenza Plan.
- Proposed and had approved a regulatory package reducing the number of semester hours required for candidates to sit for the CPA exam.

Initiatives, Rankings and Customer Trends

- *Summary of Major Initiatives and Related Progress*

The BOA is proposing to repeal its current regulations located in Chapter 21 of Agency 5, Title 18 of the Virginia Administrative Code (18 VAC 5-21) and promulgate new regulations as Chapter 22 to primarily conform to the accountancy statutes (statutes) that became effective July 1, 2007. The statutes are located in the Code of Virginia, Title 54.1, Chapter 44.

The changes to the current regulations would include removing regulations obviated by the comprehensive revisions to the statutes, primarily for definitions, licensing requirements, and standards of conduct and practice. The proposed regulations would also add determinations required as a result of the 2007 revisions to the statutes, including determining: when persons or entities are considered to be located in Virginia; whether the principal place of business of a person using the CPA title, or of a firm, is in Virginia; whether a college or university is an accredited institution; when a CPA is providing appropriate supervision of firm personnel; and when it is appropriate for the Board to enter into confidential consent agreements. In addition, the proposed regulations eliminate the current regulations that were time-sensitive and are no longer needed, and include an emergency regulation approved in May 2009 that reduced the number of semester hours a candidate must have to sit for the CPA exam.

The BOA will continue to enhance and modify application and website functionality to improve customer service delivery (including user friendly application screens).

The BOA Executive Director is developing a long-term business plan that will focus on a vision for the future. This plan will be presented to the Board for implementation by the end of the FY10-12 biennium, and will address such issues as the financial health/strength of the Board, staffing structure and classifications, and future business needs.

- *Summary of Virginia's Ranking*

The BOA ranks #1 among national state boards of accountancy for providing most online services.

The BOA ranks #5 among national state boards of accountancy in the number of candidates taking the CPA exam.

The BOA ranks #10 among national state boards of accountancy in the number of CPAs licensed.

- *Summary of Customer Trends and Coverage*

The BOA evaluates education credentials and approves testing for over 6,000 candidates each year. Over 1,000 applicants are licensed each year, while approximately 90 complaints are filed with the Board each year. There is a slight upward trend in these three activity areas.

Also, in response to Virginia Code Section 2.2-5510.A.4, by November 15th of each year, the BOA shall report to the Department for the Aging its progress in addressing the impact of the aging of the population, according to guidance established by the Secretary of Health and Human Resources. Based upon information received, the Department for the Aging shall prepare a report summarizing the progress made by the agency and submit such report to the Governor and the General Assembly by the following year.

The BOA (September 2009) reflects a total of 22,000 individually licensed CPA's and 1,150 firm licensees in Virginia, down from 22,144 and 1,275 as of June 30, 2008, respectfully. While the current recession has/will undoubtedly have an impact on the CPA community, the long-term impact has not been fully determined. The impact of mobility will affect the number of licensees in Virginia as well - that is, 45 states now allow licensed CPA's to practice in their respective

state if the reciprocal state has been determined to be substantially equivalent.

Future Direction, Expectations, and Priorities

- *Summary of Future Direction and Expectations*

The BOA will continue to focus on maximizing internal and application service efficiencies to enhance service delivery to our customers (including website functionality and user friendly application screens), and to do so in a secure and efficient work environment through the use of information technology.

The BOA Executive Director is developing a long-term business plan that will focus on a vision for the future. This plan will be presented to the Board for implementation by the end of the FY10-12 biennium, and will address such issues as the financial health/strength of the Board, staffing structure and classifications, and future business needs.

- *Summary of Potential Impediments to Achievement*

The national recession, the primary reason for current state budgetary constraints, could impact the BOA accomplishing its initiatives in the future. The BOA is 100% non-general funded (financially dependent on fees charged to applicants and licensees). The trend in the number of CPA exam applicants and licensees directly impacts revenue collection.

Service Area List

Service Number	Title
226 560 01	Accountant Regulation

Agency Background Information

Statutory Authority

The Board of Accountancy was created as an independent board by the Virginia General Assembly in 1910.

The Commonwealth regulated selected occupations through independent boards until 1948. At that time, the Department of Commerce was formed by legislative action and charged with the responsibility of providing administrative support to over ten boards and commissions. While undergoing many changes through the years, the Board of Accountancy remained under the administration of the Department of Professional and Occupational Regulation until June 30, 2001.

July 1, 2001 was a landmark in the history of the Board of Accountancy. Through the efforts of the sitting Board, Senator Walter A. Stosch, and many CPAs, Virginia's lawmakers took action during the 2001 Session of the General Assembly to establish the Virginia Board of Accountancy as a separate regulatory board.

The Board of Accountancy is composed of seven members appointed by the Governor. In summary, the Board is comprised of four CPA's who have been actively engaged in providing services to the public using the CPA title for at least three years prior to appointment to the Board, one CPA for at least three years prior to the appointment to the Board shall have been actively engaged in providing services to the public using the CPA title or in providing services to an employer in government or industry using the CPA title, one educator in the field of accountancy who is a CPA, and one citizen member who may be an accountant who is not licensed as a CPA. Each member is appointed by the Governor to serve a four-year term and may not serve for more than two consecutive terms.

The Board receives its authority from the Code of Virginia, Title 54.1, Chapter 44, and regulates the professional practice of CPAs and CPA firms under Board Regulation 18 VAC 5-21-10 et seq.

Customers

Customer Group	Customers served annually	Potential customers annually
Complainants	65	100
CPA Examination Candidates	6,250	8,000
CPA Firms	1,150	1,300
CPA Licensees	22,000	24,000
Government agencies, i.e., SEC, PCAOB, Justice, OAG	25	25
Professional Associations	10	15
Public affected by practice of CPAs and CPA Firms	250,000	250,000

Anticipated Changes To Agency Customer Base

The current national recession is expected to impact the BOA customer base; however, this impact has not been fully realized. The impact of mobility will also affect the number of licensees in Virginia as well - that is, 45 states now allow licensed CPA's to practice in their respective state if the reciprocal state has been determined to be substantially equivalent. The Board is closely observing this situation to make internal adjustments as needed.

The BOA, as most agencies in the Commonwealth, has many aging CPA licensees in their customer base. Please see the Executive Progress Report, Customer Trends & Coverage Section for a current summary.

The BOA plans to work with other organizations and associations to more closely understand the impact of these influences.

Partners

Partner	Description
Department of Accounts (DOA)	The BOA has entered into a memorandum of understanding (MOU) with DOA to provide agency financial services.
Department of General Services (DGS)	The BOA has a written agreement with DGS for shared services and lease management at BOA's office location at the Perimeter Center.
Department of Health Professions (DHP)	The BOA has an MOU with DHP for application maintenance and support, and hosting services.
Department of Human Resource Management (DHRM)	The BOA has an MOU with DHRM to provide human resource services.
VITA/Northrup Gruman Partnership	Supports the BOA IT infrastructure since the state-wide seat management contract was dissolved.

Products and Services

- *Description of the Agency's Products and/or Services:*

BOA Board Operations (in general):

- The Board promulgates regulations that establish entry requirements, including education, examination, and licensure, which are essential in determining whether an individual is minimally competent to practice as a CPA in Virginia.
- The Board establishes requirements for the registration of CPA firms.
- The Board promulgates regulations in accordance with the Administrative Process Act.
- The Board levies and collects fees for the issuance, renewal or reinstatement of Virginia licenses (and special assessments) that are sufficient to cover all expenses of the administration and operation of the Board.
- The Board initiates or receives complaints concerning CPAs or those that claim to be a CPA, and takes disciplinary action if warranted (to include revoking, suspending or refusing to reinstate a Virginia license, or to assess fines).
- The Board establishes requirements for peer review and continuing professional education requirements as a condition for issuance, renewal or reinstatement of a Virginia license.
- The Board develops policy for Board operation.

BOA Staff Operations (in general):

- Education/Examination - assesses education and other qualifications for eligibility to take the CPA exam.
- Licensing - determines eligibility to be licensed as a CPA or registered as a CPA firm.
- Enforcement - receives, investigates and adjudicates complaints regarding the professional practice by CPAs and CPA firms (and those claiming to be CPAs).
- CPE and Peer Review Compliance - administers the CPE and Peer Review compliance reviews.
- Administration - prepares budgets, financial statements, and reports; procures goods and services; provides

personnel/payroll services; provides fiscal services; manages IS technology development and maintenance; manages board administration, strategic planning, COOP, public relations, management analysis, and legislative and regulatory programs.

- **Factors Impacting Agency Products and/or Services:**

The current national recession has/will impact the CPA community. The BOA is 100% non-general funded (financially dependent on fees charged to applicants and licensees). The trend in the number of CPA exam applicants and licensees directly impacts revenue collection.

The impact of mobility will affect the number of licensees in Virginia as well - that is, 45 states now allow licensed CPA's to practice in their respective state if the reciprocal state has been determined to be substantially equivalent.

The Administrative Process Act has an impact on both the adjudication of complaint cases and promulgation of regulations.

The frequent changes in the Information Systems technology arena, including increased costs, could negatively impact agency operations and services.

- **Anticipated Changes in Products or Services:**

The BOA will continue to focus on maximizing internal and application service efficiencies to enhance service delivery to our customers (including website functionality and user friendly application screens).

The BOA Executive Director is developing a long-term business plan that will focus on a vision for the future. This plan will be presented to the Board for implementation by the end of the FY10-12 biennium, and will address such issues as the financial health/strength of the Board, staffing structure and classifications, and future business needs.

Finance

- **Financial Overview:**

The BOA is 100% non-general funded (financially dependent on fees charged to applicants and licensees). The BOA's examination and licensing fees are currently some of the lowest among state boards of accountancy, while each customer receives a high level of individualized service. However, the Board is examining potential fee increases to ensure the financial health/strength of the BOA, and to ensure that the agency's needs are met.

The BOA imposes monetary penalties in disciplinary cases; however, those funds are deposited to the Virginia Literary Fund.

- **Financial Breakdown:**

	FY 2011		FY 2012	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$0	\$919,454	\$0	\$919,454
Change To Base	\$0	\$85,512	\$0	\$85,512
Agency Total	\$0	\$1,004,966	\$0	\$1,004,966

This financial summary is computed from information entered in the service area plans.

Human Resources

- **Overview**

The BOA relies primarily on salaried employees, with part-time personnel support as needed. The long-term business plan for the agency that is scheduled for presentation and implementation prior to the end of the FY10-12 biennium will address future staffing needs.

- **Human Resource Levels**

Effective Date	9/1/2009
Total Authorized Position level	8
Vacant Positions	0
Current Employment Level	8.0
Non-Classified (Filled)	0

Full-Time Classified (Filled)	8	<i>breakout of Current Employment Level</i>
Part-Time Classified (Filled)	0	
Faculty (Filled)	0	
Wage	1	
Contract Employees	0	
Total Human Resource Level	9.0	<i>= Current Employment Level + Wage and Contract Employees</i>

● *Factors Impacting HR*

There are currently no vacancies in the agency. However, general economic conditions throughout the Commonwealth have increased the availability of qualified potential candidates in some occupations. The agency should not have a problem recruiting qualified personnel as needed.

● *Anticipated HR Changes*

The long-term business plan for the agency that is scheduled for presentation and implementation prior to the end of the FY10-12 biennium will address future staffing needs.

Information Technology

● *Current Operational IT Investments:*

The BOA has recently implemented a new licensing application hosted by the Department of Health Profession. VITA/NG transformation activities is also currently underway.

● *Factors Impacting the Current IT:*

VITA/NG transformation activities is currently underway. Many of the services being implemented on behalf of the agency have not had the cost identified.

● *Proposed IT Solutions:*

VITA/NG transformation activities is currently underway. Many of the services being implemented on behalf of the agency have not had the cost identified. The BOA has recently implemented the new licensing application identified during the last fiscal year, allowing the agency to focus on customer service delivery during this fiscal year and during the FY10-12 biennium.

At this time, the agency does not anticipate any requirements for IT investments to support business needs during the 2010-2012 biennium.

● *Current IT Services:*

Estimated Ongoing Operations and Maintenance Costs for Existing IT Investments

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Projected Service Fees	\$0	\$132,009	\$0	\$133,989
Changes (+/-) to VITA Infrastructure	\$0	\$6,580	\$0	\$6,580
Estimated VITA Infrastructure	\$0	\$138,589	\$0	\$140,569
Specialized Infrastructure	\$0	\$0	\$0	\$0
Agency IT Staff	\$0	\$0	\$0	\$0
Non-agency IT Staff	\$0	\$0	\$0	\$0
Other Application Costs	\$0	\$16,232	\$0	\$16,232
Agency IT Current Services	\$0	\$154,821	\$0	\$156,801

Comments:

BOA significantly reduced IT inventory in late FY09; however, our Systems Automation maintenance agreement (paid

through VITA) and Department of Health Professions support costs have increased overall costs.

- Proposed IT Investments

Estimated Costs for Projects and New IT Investments

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Major IT Projects	\$0	\$0	\$0	\$0
Non-major IT Projects	\$0	\$0	\$0	\$0
Agency-level IT Projects	\$0	\$0	\$0	\$0
Major Stand Alone IT Procurements	\$0	\$0	\$0	\$0
Non-major Stand Alone IT Procurements	\$0	\$0	\$0	\$0
Total Proposed IT Investments	\$0	\$0	\$0	\$0

- Projected Total IT Budget

	Cost - Year 1		Cost - Year 2	
	General Fund	Non-general Fund	General Fund	Non-general Fund
Current IT Services	\$0	\$154,821	\$0	\$156,801
Proposed IT Investments	\$0	\$0	\$0	\$0
Total	\$0	\$154,821	\$0	\$156,801

[Appendix A](#) - Agency's information technology investment detail maintained in VITA's ProSight system.

Capital

- Current State of Capital Investments:*
No capital investments identified.
- Factors Impacting Capital Investments:*
No capital investments identified.
- Capital Investments Alignment:*
No capital investments identified.

Agency Goals

Goal 1

Provide outstanding customer service support to all BOA customers through our products and services.

Goal Summary and Alignment

The BOA assists customers through automated systems and direct contact, implementing process and system improvements for increased operational efficiencies.

Goal Alignment to Statewide Goals

- Be recognized as the best-managed state in the nation.

Goal Objectives

- Provide user friendly, state of the art automated systems and web services to submit and manage applications and data for all CPA exam/licensee candidates and CPA licensees.

Objective Strategies

- The BOA provides on-going customer service assistance to its customers. BOA staff are assigned specific responsibilities to assist customers; however, all BOA staff are available to provide assistance to its customer base as available/necessary.
- The BOA will fully analyze the results of the annual Customer Satisfaction Survey to determine where improvements can be implemented. The BOA will implement corrective action plans where necessary and appropriate to improve customer satisfaction.

Link to State Strategy

- nothing linked

Objective Measures

- Overall customer satisfaction with Board of Accountancy (BOA) activities, as demonstrated by the ratings (percentage) received in an annual survey of BOA customers.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Baseline value is estimated - actual will be recorded after first survey is complete.

Measure Target Value: Date:

Measure Target Description: 90% Customer Satisfaction rating by 6/30/2012.

Long-range Measure Target Value: Date:

Long-range Measure Target Description: 92% Customer Satisfaction rating by 6/30/2014.

Data Source and Calculation: Beginning with FY2010, the BOA will conduct an annual Customer Satisfaction Survey with its customers. The Customer Satisfaction rating will be used as the primary measurement tool for Board of Accountancy management and staff.

Goal 2

Ensure the effective and timely processing of BOA applications, complaints, regulatory compliance documentation and financial activity.

Goal Summary and Alignment

The Board of Accountancy (BOA) customers are dependent upon the BOA to meet their needs. Effective and timely processing of data is critical to the success of BOA's customers, and is equally important to the BOA from an audit and customer service perspective.

Goal Alignment to Statewide Goals

- Be recognized as the best-managed state in the nation.

Goal Objectives

- Monitor the effectiveness and timeliness of application and data processing.

Objective Strategies

- The BOA's Executive Director will review measure data prior to submission to Virginia Performs to ensure compliance with goals, objectives and measure targets. Corrective action will be taken in cases of non-compliance.

Link to State Strategy

- nothing linked

Objective Measures

- Labor cost per licensee.

Measure Class: Measure Frequency: Preferred Trend: Measure Baseline Description: Labor cost per license issued as of 6/30/2009.

Measure Target Value: Date:

Measure Target Description: Labor cost per license issued by 6/30/2012.

Data Source and Calculation: Total cost of licensee labor (staff) divided by the average number of licensees for the period. This measure has the potential to fluctuate based on current economic conditions and impact on CPA licensure status.

- Percentage of enforcement cases closed within 90 calendar days of complaint.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Percentage of enforcement cases closed with 90 calendar days of complaint. Note: This value is estimated until actual %'s are determined.

Measure Target Value: Date:

Measure Target Description: Percentage of enforcement cases closed with 90 calendar days of complaint by 6/30/2012.

Data Source and Calculation: Using automated system tracking, determine the number of enforcement cases closed within 90 calendar days of complaint. This number is then divided by the total number of complaints made during the same time period. Note: This calculation excludes litigation and non-controllable (special circumstances outside of the Board's control) cases.

- Percentage of CPE compliance reviews completed with 21 calendar days of documentation receipt.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Percentage of CPE compliance reviews completed with 21 calendar days of documentation receipt. Note: This value is estimated until actual %'s are determined.

Measure Target Value: Date:

Measure Target Description: Percentage of CPE compliance reviews completed with 21 calendar days of documentation receipt by 6/30/2012.

Data Source and Calculation: Using automated licensing application, track incoming CPE compliance review documentation from the time of entry to the time of system closeout. Divide this number by the total number of reviews initiated during the same time period.

- Number of internal control audit findings or compliance issues.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Number of internal control audit findings or compliance issues as of

6/30/2009. Note: Audits for FY2009 are not complete. Value will be adjusted accordingly.

Measure Target Value: Date:

Measure Target Description: Number of internal control audit findings or compliance issues as of 6/30/2012.

Data Source and Calculation: Summary (number) of APA, DOA, DGS (DPS) and VITA audit findings.

Goal 3

Strengthen the culture of preparedness across state agencies, their employees and customers.

Goal Summary and Alignment

This goal ensures compliance with federal and state regulations, policies and procedures for Commonwealth preparedness, as well as guidelines and best practices promulgated by the Assistant to the Governor for Commonwealth Preparedness, in collaboration with the Governor's Cabinet, the Commonwealth Preparedness Working Group, the Department of Planning and Budget and the Council on Virginia's Future. The goal supports achievement of the Commonwealth's statewide goal of protecting the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Goal Alignment to Statewide Goals

- Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Goal Objectives

- We will be prepared to act in the interest of the citizens of the Commonwealth and its infrastructure during emergency situations by actively planning and training both as an agency and as individuals.

Objective Strategies

- The agency Emergency Coordination Officer will stay in regular communication with the Office of Commonwealth Preparedness, the Virginia Department of Emergency Management, and other Commonwealth Preparedness Working Group agencies.

Link to State Strategy

- nothing linked

Objective Measures

- Agency Preparedness Assessment Score.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: 2008 Agency Preparedness Assessment Results (% out of 100)

Measure Target Value: Date:

Measure Target Description: Maintain a minimum of 75%.

Data Source and Calculation: The Agency Preparedness Assessment is an all-hazards assessment tool that measures agencies' compliance with requirements and best practices. The assessment has components including Physical Security, Continuity of Operations, Information Security, Vital Records, Fire Safety, Human Resources, Risk Management and Internal Controls, and the National Incident Management System (for Virginia Emergency Response Team - VERT - agencies only).

Service Area Strategic Plan

Board of Accountancy (226)

3/11/2014 8:42 am

Biennium: 2010-12 ▼

Service Area 1 of 1

Accountant Regulation (226 560 01)**Description**

This service area is comprised of all the work performed by the Board of Accountancy, including determining the standards for education, examination, licensing and enforcement for the professional practice by CPAs and CPA firms.

Background Information**Mission Alignment and Authority**

- *Describe how this service supports the agency mission*

This service area directly aligns the Virginia Board of Accountancy's (BOA) mission to protect the citizens of the Commonwealth through a regulatory program of licensure and compliance of Certified Public Accountants (CPA) and CPA firms.

The BOA serves all citizens in a professional manner, enabling them to contribute to the Commonwealth's prosperity by entering and progressing in their chosen profession; to provide the most equitable, efficient, and economical means available to limit entry barriers to the marketplace; and to discipline those licensees who do not follow accepted ethical or professional standards.

- *Describe the Statutory Authority of this Service*

The Board receives its authority from the Code of Virginia, Title 54.1, Chapter 44, and regulates the professional practice of CPAs and CPA firms under Board Regulation 18 VAC 5-21-10 et seq.

Customers

Agency Customer Group	Customer	Customers served annually	Potential annual customers
CPA Licensees	Certified Public Accountants (CPA)	22,000	24,000
Complainants	Complainants	65	100
CPA Examination Candidates	CPA Examination Candidates	6,250	8,000
CPA Firms	CPA Firms	1,150	1,300
Government agencies, i.e., SEC, PCAOB, Justice, OAG	Government agencies, i.e., SEC, PCAOB, Justice, OAG	25	25
Professional Associations	Professional Associations	10	15
Public affected by practice of CPAs and CPA Firms	Public affected by practice of CPAs and CPA Firms	250,000	250,000

Anticipated Changes To Agency Customer Base

The current national recession is expected to impact the BOA customer base; however, this impact has not been fully realized. The impact of mobility will also affect the number of licensees in Virginia as well - that is, 45 states now allow licensed CPA's to practice in their respective state if the reciprocal state has been determined to be substantially equivalent. The Board is closely observing this situation to make internal adjustments as needed.

The BOA, as most agencies in the Commonwealth, has many aging CPA licensees in their customer base. Please see the Executive Progress Report, Customer Trends & Coverage Section for a current summary.

The BOA plans to work with other organizations and associations to more closely understand the impact of these influences.

Partners

Partner	Description
Department of Accounts (DOA)	The BOA has entered into a memorandum of understanding (MOU) with DOA to provide agency financial services.

Department of General Services (DGS)	The BOA has a written agreement with DGS for shared services and lease management at BOA's office location at the Perimeter Center.
Department of Health Professions (DHP)	The BOA has an MOU with DHP for application maintenance and support, and hosting services.
Department of Human Resource Management (DHRM)	The BOA has an MOU with DHRM to provide human resource services.
VITA/Northrup Gruman Partnership	Supports the BOA IT infrastructure since the state-wide seat management contract was dissolved.

Products and Services

- *Factors Impacting the Products and/or Services:*

The current national recession has/will impact the CPA community. The BOA is 100% non-general funded (financially dependent on fees charged to applicants and licensees). The trend in the number of CPA exam applicants and licensees directly impacts revenue collection.

The impact of mobility will affect the number of licensees in Virginia as well - that is, 45 states now allow licensed CPA's to practice in their respective state if the reciprocal state has been determined to be substantially equivalent.

The Administrative Process Act has an impact on both the adjudication of complaint cases and promulgation of regulations.

The frequent changes in the Information Systems technology arena, including increased costs, could negatively impact agency operations and services.

- *Anticipated Changes to the Products and/or Services*

The BOA will continue to focus on maximizing internal and application service efficiencies to enhance service delivery to our customers (including website functionality and user friendly application screens).

The BOA Executive Director is developing a long-term business plan that will focus on a vision for the future. This plan will be presented to the Board for implementation by the end of the FY10-12 biennium, and will address such issues as the financial health/strength of the Board, staffing structure and classifications, and future business needs.

- *Listing of Products and/or Services*

- BOA Board Operations (in general):
 - The Board promulgates regulations that establish entry requirements, including education, examination, and licensure, which are essential in determining whether an individual is minimally competent to practice as a CPA in Virginia.
 - The Board establishes requirements for the registration of CPA firms.
 - The Board promulgates regulations in accordance with the Administrative Process Act.
 - The Board levies and collects fees for the issuance, renewal or reinstatement of Virginia licenses (and special assessments) that are sufficient to cover all expenses of the administration and operation of the Board.
 - The Board initiates or receives complaints concerning CPAs or those that claim to be a CPA, and takes disciplinary action if warranted (to include revoking, suspending or refusing to reinstate a Virginia license, or to assess fines).
 - The Board establishes requirements for peer review and continuing professional education requirements as a condition for issuance, renewal or reinstatement of a Virginia license.
 - The Board develops policy for Board operation.
- BOA Staff Operations (in general):
 - Education/Examination - assesses education and other qualifications for eligibility to take the CPA exam.
 - Licensing - determines eligibility to be licensed as a CPA or registered as a CPA firm.
 - Enforcement - receives, investigates and adjudicates complaints regarding the professional practice by CPAs and CPA firms (and those claiming to be CPAs).
 - CPE and Peer Review Compliance - administers the CPE and Peer Review compliance reviews.
 - Administration - prepares budgets, financial statements, and reports; procures goods and services; provides personnel/payroll services; provides fiscal services; manages IS technology development and maintenance; manages board administration, strategic planning, COOP, public relations, management analysis, and legislative and regulatory programs.

Finance

- *Financial Overview*

The BOA is 100% non-general funded (financially dependent on fees charged to applicants and licensees). The BOA's examination and licensing fees are currently some of the lowest among state boards of accountancy, while each customer receives a high level of individualized service. However, the Board is examining potential fee increases to ensure the financial health/strength of the BOA, and to ensure that the agency's needs are met. This service area covers all work performed by BOA as provided for in this strategic plan.

● *Financial Breakdown*

	FY 2011		FY 2012	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$0	\$919,454	\$0	\$919,454
Change To Base	\$0	\$85,512	\$0	\$85,512
Service Area Total	\$0	\$1,004,966	\$0	\$1,004,966

Human Resources

● *Human Resources Overview*

The BOA relies primarily on salaried employees, with part-time personnel support as needed. The long-term business plan for the agency that is scheduled for presentation and implementation prior to the end of the FY10-12 biennium will address future staffing needs.

● *Human Resource Levels*

Effective Date	9/1/2009	
Total Authorized Position level	8	
Vacant Positions	0	
Current Employment Level	8.0	
Non-Classified (Filled)		breakout of Current Employment Level
Full-Time Classified (Filled)	8	
Part-Time Classified (Filled)		
Faculty (Filled)		
Wage	1	
Contract Employees		
Total Human Resource Level	9.0	= Current Employment Level + Wage and Contract Employees

● *Factors Impacting HR*

There are currently no vacancies in the agency. However, general economic conditions throughout the Commonwealth have increased the availability of qualified potential candidates in some occupations. The agency should not have a problem recruiting qualified personnel as needed.

● *Anticipated HR Changes*

The long-term business plan for the agency that is scheduled for presentation and implementation prior to the end of the FY10-12 biennium will address future staffing needs.

Service Area Objectives

- Provide user friendly, state of the art automated systems and web services to submit and manage applications and data for all CPA exam/licensee candidates and CPA licensees.

Objective Description

The BOA assists customers through automated systems and direct contact, implementing process and system improvements for increased operational efficiencies.

Alignment to Agency Goals

- Agency Goal: Provide outstanding customer service support to all BOA customers through our products and services.

Objective Strategies

- The BOA provides on-going customer service assistance to its customers. BOA staff are assigned specific responsibilities to assist customers; however, all BOA staff are available to provide assistance to its customer base

as available/necessary.

- The BOA will fully analyze the results of the annual Customer Satisfaction Survey to determine where improvements can be implemented. The BOA will implement correction action plans where necessary and appropriate to improve customer satisfaction.

Link to State Strategy

- nothing linked

Objective Measures

- Overall customer satisfaction with Board of Accountancy (BOA) activities, as demonstrated by the ratings (percentage) received in an annual survey of BOA customers.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Baseline value is estimated - actual will be recorded after first survey is complete.

Measure Target Value: Date:

Measure Target Description: 90% Customer Satisfaction rating by 6/30/2012.

Long-range Measure Target Value: Date:

Long-range Measure Target Description: 92% Customer Satisfaction rating by 6/30/2014.

Data Source and Calculation: Beginning with FY2010, the BOA will conduct an annual Customer Satisfaction Survey with its customers. The Customer Satisfaction rating will be used as the primary measurement tool for Board of Accountancy management and staff.

- Monitor the effectiveness and timeliness of application and data processing.

Objective Description

The Board of Accountancy (BOA) customers are dependent upon the BOA to meet their needs. Effective and timely processing of data is critical to the success of BOA's customers, and is equally important to the BOA from an audit and customer service perspective.

Alignment to Agency Goals

- Agency Goal: Ensure the effective and timely processing of BOA applications, complaints, regulatory compliance documentation and financial activity.

Objective Strategies

- The BOA's Executive Director will review measure data prior to submission to Virginia Performs to ensure compliance with goals, objectives and measure targets. Corrective action will be taken in cases of non-compliance.

Link to State Strategy

- nothing linked

Objective Measures

- Labor cost per licensee.

Measure Class: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Labor cost per license issued as of 6/30/2009.

□ □

Measure Target Value: Date: Measure Target Description: Labor cost per license issued by 6/30/2012.

Data Source and Calculation: Total cost of licensee labor (staff) divided by the average number of licensees for the period. This measure has the potential to fluctuate based on current economic conditions and impact on CPA licensure status.

- Percentage of enforcement cases closed within 90 calendar days of complaint.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Percentage of enforcement cases closed with 90 calendar days of complaint. Note: This value is estimated until actual %'s are determined.

Measure Target Value: Date:

Measure Target Description: Percentage of enforcement cases closed with 90 calendar days of complaint by 6/30/2012.

Data Source and Calculation: Using automated system tracking, determine the number of enforcement cases closed with 90 calendar days of complaint. This number is then divided by the total number of complaints made during the same time period. Note: This calculation excludes litigation and non-controllable (special circumstances outside of the Board's control) cases.

- Percentage of CPE compliance reviews completed within 21 calendar days of documentation receipt.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Percentage of CPE compliance reviews completed with 21 calendar days of documentation receipt. Note: This value is estimated until actual %'s are determined.

Measure Target Value: Date:

Measure Target Description: Percentage of CPE compliance reviews completed with 21 calendar days of documentation receipt by 6/30/2012.

Data Source and Calculation: Using automated licensing application, track incoming CPE compliance review documentation from the time of entry to the time of system closeout. Divide this number by the total number of reviews initiated during the same time period.

- Number of internal control audit findings or compliance issues.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: Number of internal control audit findings or compliance issues as of 6/30/2009. Note: Audits for FY2009 are not complete. Value will be adjusted accordingly.

Measure Target Value: Date:

Measure Target Description: Number of internal control audit findings or compliance issues as of 6/30/2012.

Data Source and Calculation: Summary (number) of APA, DOA, DGS (DPS) and VITA audit findings.

- We will be prepared to act in the interest of the citizens of the Commonwealth and its infrastructure during emergency situations by actively planning and training both as an agency and as individuals.

Objective Description

This goal ensures compliance with federal and state regulations, policies and procedures for Commonwealth preparedness, as well as guidelines and best practices promulgated by the Assistant to the Governor for Commonwealth Preparedness, in collaboration with the Governor's Cabinet, the Commonwealth Preparedness Working Group, the Department of Planning and Budget and the Council on Virginia's Future. The goal supports achievement of the Commonwealth's statewide goal of protecting the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Alignment to Agency Goals

- Agency Goal: Strengthen the culture of preparedness across state agencies, their employees and customers.

Objective Strategies

- The agency Emergency Coordination Officer will stay in regular communication with the Office of Commonwealth Preparedness, the Virginia Department of Emergency Management, and other Commonwealth Preparedness Working Group agencies.

Link to State Strategy

- nothing linked

Objective Measures

- Agency Preparedness Assessment Score.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: 2008 Agency Preparedness Assessment Results (% out of 100)

Measure Target Value: Date:

Measure Target Description: Maintain a minimum of 75%.

Data Source and Calculation: The Agency Preparedness Assessment is an all-hazards assessment tool that measures agencies' compliance with requirements and best practices. The assessment has components including Physical Security, Continuity of Operations, Information Security, Vital Records, Fire Safety, Human Resources, Risk Management and Internal Controls, and the National Incident Management System (for Virginia Emergency Response Team - VERT - agencies only).

- To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

Objective Description

This objective refers specifically to the Administrative Measures (formerly known as the Management Scorecard).

Alignment to Agency Goals

- Agency Goal: Ensure the effective and timely processing of BOA applications, complaints, regulatory compliance documentation and financial activity.

Link to State Strategy

- nothing linked

Objective Measures

- Percent of administrative measures marked as "meets expectations" (green indicator) for the agency.

Measure Class: Measure Type: Measure Frequency: Preferred Trend:

Measure Baseline Value: Date:

Measure Baseline Description: The FY2009 score of the agency.

Measure Target Description: The Administrative Measures score as of 6/30/2012.

Data Source and Calculation: Data Source: There are currently 13 administrative measures organized into five categories. Each measure has a different data source. Agencies should refer to the administrative measures data source information table to locate the data source for each measure. The table is located in Virginia Performs / Agency Planning and Performance / Administrative Measures. Calculation: Agencies select the appropriate colored indicator (green, yellow, red) for each measure, depending on results. A gray indicator is used for measures where data are unavailable. The agency administration measure is the percent of the administrative measures that have a green indicator (meets expectations). Exclude items with a gray indicator from the calculation.

<http://www.vaperforms.virginia.gov>

Back to [Report Menu](#) [View Agency](#) [List of all agencies strategic plans](#)