

**Agency Purpose**

The Board of Accountancy's (Board) mission is to protect the public by providing reasonable assurance that the persons engaged in public accounting meet and maintain the qualifications and standards required to competently practice public accounting in the state of Minnesota.

M.S. Chapter 326A provides the Board with authority to regulate persons engaged in public accounting for the purpose of public protection.

**At a Glance**

Following are the basic services offered by the Board on an annual basis.

**Credentialing Services**

- License over 17,000 CPAs and registered accounting professionals.
- License almost 2,000 firms or sole proprietor firms.
- Expect that 3,400 applications will sit for the certified public accountants (CPA) exam.

**Discipline/Enforcement Services**

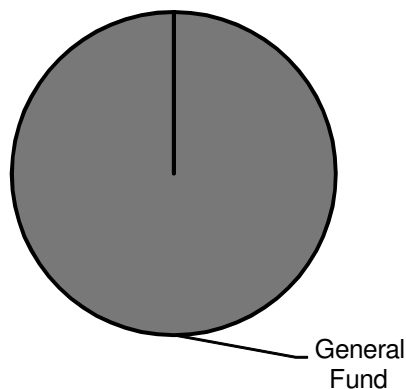
- Investigate over 400 complaints of violation of the law.
- Resolve over 400 disciplinary actions and issue orders based on Board's authorized disciplinary actions.

**Education Services**

- Public outreach and audit of continuing education requirements.

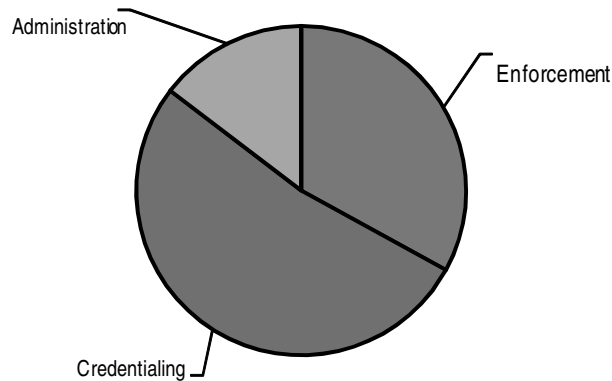
In addition, the Board has a General Fund, biennial budget of approximately \$1 million which is recovered through license and application fees. The Board has a staff of four full-time equivalent employees.

**Est. FY 2010-11 Expenditures by Fund**



Source: Consolidated Fund Statement.

**Est. FY 2010-11 Expenditures by Service**



Source: Board of Accountancy estimate based on employee workload.

## Strategies

The Board's tasks are guided by four primary principals:

- Responsibility for public protection will be fulfilled with respect for due process and adherence to laws.
- Customer services will be delivered in a responsive, respectful and timely manner.
- Government services will be easily accessible, timely in content and secure.
- Business functions will be delivered with accountability, efficiency, maximization of technology and willingness.

## Operations

The Board of Accountancy regulates the practice of public accounting by enforcing its rules and applicable laws to assure the public that the individuals practicing public accounting in Minnesota have the required education, competence and ethical character to practice public accounting. The Board collaborates with other organizations to facilitate the licensure and or reporting of violations for the CPA profession.

The Board investigates complaints and takes action against licensees who violate the practice act including removing individuals from practice when necessary. Public safety and transparency is enhanced by providing public access to information regarding the licensee status, discipline history, information on the complaint process, and how to file a complaint. The Board also promotes competent practice of public accountancy by interpreting the laws and rules related to the practice. The Board participates in outreach to educate the licensees and the public on the requirements of competent practice.

The Board interacts with, and provides services to, consumers, applicants, licensees, educational institutions, other state agencies and national information services and a national test service. The Board is comprised of seven certified public accountants (CPA) and two public members and is a national leader in the enforcement of the accountancy act. Information is disseminated by the web site, participating in statewide initiatives and participating in public presentation and speeches.

The Department of Commerce provides administrative support to the Board. On a daily basis the board staff processes documents and responds to inquiries related to initial license applications, continuing education courses, annual license renewals, complaint registrations and investigations, and the CPA practice act. Services are delivered through direct communication, the Board's website, and presentations to the public.

In 2010, the Board's statutes were updated to coincide with changes to the Uniform Accountancy Act and to enhance mobility for Minnesota CPA's.

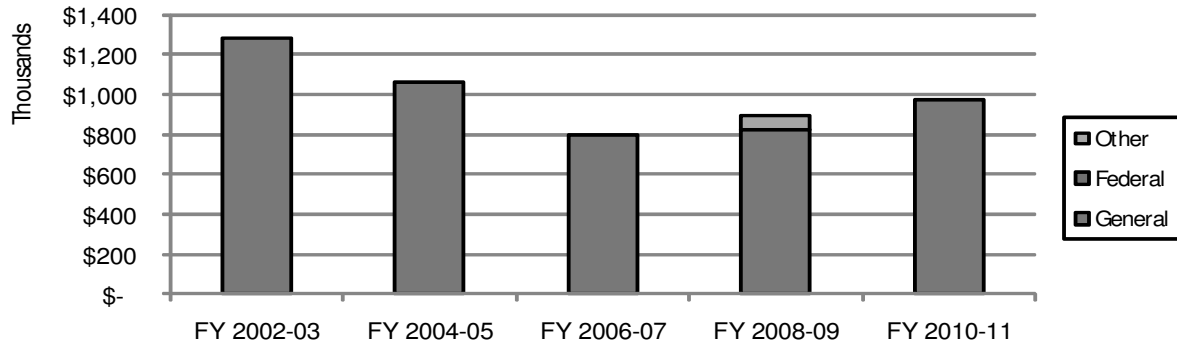
The board's biennial appropriation for FY 2010-11 is just over \$1.0 million. This funding comes from a direct appropriation from the state's General Fund. The Board is expected to recover in excess of \$2.25 million for the general fund in that same timeframe through the collection of fees for credentialing, disciplinary action, and examinations.

## Key Activity Goals & Measures

- The Board increased utilization of online renewal services in the past fiscal year by 7%, bringing the total to 77%. Applications and information are also on-line.
- Licenses are issued within 48 hours of an applicant meeting all requirements.
- All disciplinary data is reported to the National Council and to public within 48 hours after issuance.

Budget Trends Section

Total Expenditures by Fund



\* FY 2010-11 is estimated, not actual

Source data for the previous chart is the Minnesota Accounting and Procurement System (MAPS) as of 08/09/10.

**External Factors Impacting the Board** - The lack of growth in the economy has kept the amount of new applications and renewals at a stable level. There has been no noticeable change in the volume of enforcement actions.

Contact

Minnesota Board of Accountancy  
 85 7<sup>th</sup> Place East, Suite 125  
 St. Paul, Minnesota 55101

Phone: (651) 296-7938  
 Fax: (651) 282-2644  
 TTY: (651) 297-5353 or 800-627-3529  
<http://www.boa.state.mn.us/Licensing/>

*Dollars in Thousands*

	Current		Forecast Base		Biennium 2012-13
	FY2010	FY2011	FY2012	FY2013	
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	490	480	480	480	960
<b>Forecast Base</b>	<b>490</b>	<b>480</b>	<b>480</b>	<b>480</b>	<b>960</b>
Change		0	0	0	0
% Biennial Change from 2010-11					-1%
 <b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	387	583	480	480	960
<b>Total</b>	<b>387</b>	<b>583</b>	<b>480</b>	<b>480</b>	<b>960</b>
 <b><u>Expenditures by Category</u></b>					
Total Compensation	276	315	315	315	630
Other Operating Expenses	111	268	165	165	330
<b>Total</b>	<b>387</b>	<b>583</b>	<b>480</b>	<b>480</b>	<b>960</b>
 <b><u>Expenditures by Program</u></b>					
Accountancy	387	583	480	480	960
<b>Total</b>	<b>387</b>	<b>583</b>	<b>480</b>	<b>480</b>	<b>960</b>
 <b>Full-Time Equivalents (FTE)</b>	 <b>4.1</b>	 <b>4.1</b>	 <b>4.1</b>	 <b>4.1</b>	

**ACCOUNTANCY BOARD**

Agency Revenue Summary

*Dollars in Thousands*

	<b>Actual FY2010</b>	<b>Budgeted FY2011</b>	<b>Current Law</b>		<b>Biennium 2012-13</b>
			<b>FY2012</b>	<b>FY2013</b>	
<b><u>Non Dedicated Revenue:</u></b>					
<b>Departmental Earnings:</b>					
General	1,412	860	860	860	1,720
<b>Total Non-Dedicated Receipts</b>	<b>1,412</b>	<b>860</b>	<b>860</b>	<b>860</b>	<b>1,720</b>
<b><u>Dedicated Receipts:</u></b>					
<b>Total Dedicated Receipts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Agency Total Revenue</b>					
	<b>1,412</b>	<b>860</b>	<b>860</b>	<b>860</b>	<b>1,720</b>