

**Board of Public Accountancy
Fiscal Year 2021 Annual Report**

Budget Recommendations for FY 2022 (continued)

Other Items with a Fiscal Impact		Cost Per Event:	\$0.00
<input type="checkbox"/> Not Applicable		Number of Events:	0
Product or Service	Provider	Total Cost	
		\$0.00	
Description of item and its role in supporting the mission of the Board:			

Other Items with a Fiscal Impact		Cost Per Event:	\$0.00
<input type="checkbox"/> Not Applicable		Number of Events:	0
Product or Service	Provider	Total Cost	
		\$0.00	
Description of item and its role in supporting the mission of the Board:			

Summary of FY 2022 Fiscal Requests	
Board Meetings and Teleconferences:	\$6,950.00
Travel for Exams:	\$960.00
Out-of-State and Additional In-State Travel:	\$21,955.00
Dues, Memberships, Resources, Training:	\$3,500.00
Total Potential Third-Party Offsets:	-\$0.00
Other:	\$0.00
Total Requested:	\$33,365.00

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Legislation Recommendations Proposed Legislation for FY 2022

No Recommendations

The Board has no recommendations for proposed legislation at this time.

Recommendations

The Board has the following recommendations for proposed legislation:

HB44 introduced in FY21; ongoing

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Regulation Recommendations Proposed Legislation for FY 2022

No Recommendations

The Board has no recommendations for proposed regulations at this time.

Recommendations

The Board has the following recommendations for proposed regulations:

If the Board has legislation pass during FY22, they will need to work on regulation updates for any sections impacted and will also review for general cleanup.

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Goals and Objectives

Part I

FY 2021's goals and objectives, and how they were met:

Goal 1. Monitor legislation, evaluate and review statutory/regulatory changes related to:

- a. Review of UAA through a coordinated effort with the AKCPA for recent changes and identify additional areas where Alaska statutes and regulations differ and evaluate impact of differences to include:
 1. Adopt UAA attest definition
 2. Adopt UAA firm definition
 3. Update peer review requirements
 4. Adopt firm mobility
- b. Review requirements for CPA firm permits.
- c. Monitor NASBA discussion re: required years of experience.
- d. Review and monitor potential changes to how we use the peer review reports in the future.
- e. Review statutes and regulations for areas of clarification with AKCPA.
- f. Monitor NASBA committee activity.

The Board worked with both AICPA and the State Society on legislation (HB44) that was introduced in FY21 (a, b, e). All audit issues from the FY20 renewal have been forwarded to the Division paralegal for additional action; the Board will continue to review/monitor the mandatory audits (d). The Board continued to participate in NASBA meetings to hear what is happening nationally (c, f).

Goal 2. Review and evaluate National Association of State Board of Accountancy (NASBA) services.

- a. Continue to monitor NASBA CPA Exam Services (CPAES).
- b. Evaluate and analyze other services offered by NASBA.
 1. Inquire with the communications department to see how they can assist with an electronic newsletter and possibly other items, such as social media, announcements and the website.

The Division/Board will review/amend the contract as necessary before each renewal. The Board may compile a list of topics for a future newsletter and will work with NASBA on a final version (b).

Goal 3. Ensure Alaska CPA candidates have positive examination opportunities.

- a. Monitor testing experiences by visiting sites and using the post-testing survey for all candidates testing at the Anchorage and Fairbanks sites. Monitor that the surveys are delivered timely.
- b. Follow-up on concerns indicated in the surveys.
- c. Keep the AKCPA and the public abreast of new developments.

The Board reviews exam surveys at their quarterly meetings and will resume conducting test site visits at both Alaska locations (Anchorage and Fairbanks) when test centers reopen to non-test takers (a). The Board will elevate issues to NASBA/CPAES as necessary (b). The State Society usually has a representative in attendance at the Board meetings, so they are able to hear any concerns or updates that come up regarding testing at Alaska locations (c).

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Goals and Objectives (continued)

Part I (continued)

FY 2021's goals and objectives, and how they were met:

Goal 4. Monitor Covid-19 impacts on exam candidates.

- a. Continue to monitor NTS and exam score extensions.
- b. Monitor status of Alaska Prometric sites.

The Board granted blanket extensions for all Alaska exam candidates who had sections expiring during the peak of the pandemic and will continue to work with NASBA/CPAES to review extension requests for scores expiring after June 2021 (a). The Board continues to monitor both in State test centers for closures/capacity issues and will elevate issues to NASBA as necessary.

Goal 5. Evaluate and address changes in the professional environment to continue to fulfill our mission to protect public interests.

- a. Review new rules proposed by NASBA and the AICPA for impact on Alaska CPAs and make changes to Alaska statutes and regulations as needed.
- b. Represent Alaska CPA concerns at regional, annual, and special meetings and support NASBA committee participation.
 1. Promote attendance by staff and new Board members at regional, special and annual meetings to provide understanding of current regulatory issues being dealt with at a national level and a state-by-state level.
 2. Promote attendance of continuing Board members at regional and annual meetings to provide input and to obtain information at both national and state levels regarding matters impacting Alaska CPAs.
- c. Mentor executive administrator in developing procedures and goals for timely response to public, CPAs and CPA candidate requests.

The Board reviews proposed changes to the Uniform Accountancy Act (UAA) and updates Alaska statutes/regulations as appropriate (a). The Board continues to request both staff and Board members attend NASBA meetings/conferences but were not approved to participate at their desired level in FY21 (pandemic travel restrictions) (b). Response time has been maintained within Division standards and requests/correspondence requiring Board action were addressed at quarterly meetings (c).

Goal 6. Work with the Division regarding:

- a. Future licensee fee structure; fees must cover monitoring expenses and operating costs while not being cost prohibitive to licensees.
- b. Board and staff travel and participation at NASBA/AICPA meetings including:
 1. Executive Administrator attendance at NASBA annual and regional meetings and the NASBA Executive Director conference.
 2. No less than four (4) Board members will attend the NASBA regional conference or the annual NASBA meeting.
 3. One Board member and/or the Executive Administrator will attend any special NASBA or AICPA meetings as they arise.

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Goals and Objectives (continued)

Part I (continued)

FY 2021's goals and objectives, and how they were met:

- c. One or two Board members and the Executive Administrator will attend the Alaska Society of CPAs annual meeting.
- d. Continue outreach to licensees by holding Board meetings in various State locations.
- e. Ongoing improvements and maintenance of the Board website.
- f. Use of MyLicense for renewal and communication with licensees.
- g. Conduct CPE random audits and complete timely review and resolution of CPE audits.
 - 1. Explore mandatory use of a CPE tracking software program.
- h. Obtaining more information with fiscal reports, including personnel and legal costs.
- i. Work with Division on cost saving measures.
- j. Complete a review of firm/licensee renewal forms and processes.

The Board reviews all fee change proposals from the Division and offers feedback (a). The Board continues to outline travel requests in the annual report and to submit travel requests, but has been unable to meet the goals as outlined above due to ongoing travel restrictions (b). The Board attempts to list relevant information and links to external sources on its website (c). The Division has an online system for licensees/applicants called MyLicense (accessed through MyAlaska); when a person "opts-in" their email address is collected and can be used as official means of communication (d). The executive administrator/Board attempt to notify licensees of their selection for random CPE as soon as possible and the Board always attempts to be timely with their review of CPE audits. There are only a couple files still requiring resolution from the 2019 renewal (e). The Board reviews all quarterly financials prepared by the Division and asks for additional detail if there are questions (f). The Board complies with required State policies and is also mindful of expenses. For in person meetings, members travel on the day the meeting starts, carpools and attempts to save costs wherever they can (g). Staff works with the the publications team to update forms and online renewals (h).

Goal 7. Continue Board oversight and public awareness of enforcement activities.

- a. Timely update of investigative information and statistics on the Board website.
- b. Interact with the investigative unit regarding consistency and monitoring of cases.
- c. Continue participation with the NASBA Accountancy Licensee Database (ALD).
 - 1. Work with Division on automatic reporting of license action.
- d. Executive Administrator to provide enforcement decisions to the general public.
- e. Continue dialog with investigative management regarding investigative costs and investigator turnover.

Board actions are updated on the Division website and can now be linked to individual license records that can be viewed using the public license search (a, d). The Board investigator provides quarterly reports, and the Board will ask for additional information when necessary (b). The Board has continued to participate with the ALD database (c). The Board continues to monitor investigative costs and turnover and will request to speak with senior Division management as necessary when there are concerns (e).

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Goals and Objectives

Part II

FY 2022's goals and objectives, and proposed methods to achieve them.

Describe any strengths, weaknesses, opportunities, threats and required resources:

Goal 1. Monitor legislation, evaluate and review statutory/regulatory changes related to:

- a. Review of UAA through a coordinated effort with the AKCPA for recent changes and identify additional areas where Alaska statutes and regulations differ and evaluate impact of differences to include:
 1. Adopt UAA attest definition
 2. Adopt UAA firm definition
 3. Update peer review requirements
 4. Adopt firm mobility
- b. Review requirements for CPA firm permits.
- c. Monitor NASBA discussion re: required years of experience.
- d. Review and monitor potential changes to how we use the peer review reports in the future.
- e. Review statutes and regulations for areas of clarification with AKCPA.
- f. Monitor NASBA committee activity.
- g. Monitor progress of CPA evolution project.

Goal 2. Review and evaluate National Association of State Board of Accountancy (NASBA) services.

- a. Continue to monitor NASBA CPA Exam Services (CPAES).
- b. Evaluate and analyze other services offered by NASBA.
 1. Inquire with the communications department to see how they can assist with an electronic newsletter and possibly other items, such as social media, announcements and the website.

Goal 3. Ensure Alaska CPA candidates have positive examination opportunities.

- a. Monitor testing experiences by visiting sites and using the post-testing survey for all candidates testing at the Anchorage and Fairbanks sites. Monitor that the surveys are delivered timely.
- b. Follow-up on concerns indicated in the surveys.
- c. Keep the AKCPA and the public abreast of new developments.

Goal 4. Monitor Covid19 impacts on exam candidates.

- a. Continue to monitor NTS and exam score extensions.
- b. Monitor status of Alaska Prometric sites.

Goal 5. Evaluate and address changes in the professional environment to continue to fulfill our mission to protect public interests.

- a. Review new rules proposed by NASBA and the AICPA, for impact on Alaska CPAs and make changes to Alaska statutes and regulations as needed.
- b. Represent Alaska CPA concerns at regional, annual, and special meetings and support NASBA committee participation.
 1. Promote attendance by staff and new Board members at regional, special and annual meetings to provide understanding of current regulatory issues being dealt with at a national level and a state-by-state level.

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Goals and Objectives (continued)

Part II (continued)

FY 2022's goals and objectives, and proposed methods to achieve them.

Describe any strengths, weaknesses, opportunities, threats and required resources:

2. Promote attendance of continuing Board members at regional and annual meetings to provide input and to obtain information at both national and state levels regarding matters impacting Alaska CPAs.
- c. Mentor executive administrator in developing procedures and goals for timely response to public, CPAs and CPA candidate requests.

Goal 6. Work with the Division regarding:

- a. Future licensee fee structure; fees must cover monitoring expenses and operating costs while not being cost prohibitive to licensees.
- b. Board and staff travel and participation at NASBA/AICPA meetings including:
 1. Executive Administrator attendance at NASBA annual and regional meetings and the NASBA Executive Director conference.
 2. No less than four (4) Board members will attend the NASBA regional conference or the annual NASBA meeting.
 3. One Board member and/or the Executive Administrator will attend any special NASBA or AICPA meetings as they arise.
 4. One or two Board members and the Executive Administrator will attend the Alaska Society of CPAs annual meeting.
 5. Continue outreach to licensees by holding Board meetings in various State locations.
- c. Ongoing improvements and maintenance of the Board website.
- d. Use of MyLicense for renewal and communication with licensees.
- e. Conduct CPE random audits and complete timely review and resolution of CPE audits.
- f. Explore mandatory use of a CPE tracking software program.
- g. Obtaining more information with fiscal reports, including personnel and legal costs.
- h. Work with Division on cost saving measures.
- i. Complete a review of firm/licensee renewal forms and processes.

Goal 7. Continue Board oversight and public awareness of enforcement activities.

- a. Timely update of investigative information and statistics on the Board website.
- b. Interact with the investigative unit regarding consistency and monitoring of cases.
- c. Continue participation with the NASBA Accountancy Licensee Database (ALD).
 1. Work with Division on automatic reporting of license action.
- d. Executive Administrator to provide enforcement decisions to the general public.
- e. Continue dialog with investigative management regarding investigative costs and investigator turnover.

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Sunset Audit Recommendations

Date of Last Legislative Audit: 4/8/2020
Board Sunset Date: 6/30/2029

Audit Recommendation: DCBPL's Chief investigator should ensure investigations are completed timely.

Action Taken: An additional senior investigator has been hired; this should bring the section closer to the State of Alaska average of four personnel assigned to one supervisor. Standard Operating Procedure (SOP) #4 has been updated to reflect established *target* windows for supervisor/Chief review.

Next Steps: Continue to monitor case completion timeliness.

Date Completed: Ongoing monitoring by Board & Division.