

Part I – Agency Profile

Agency Overview

The Idaho State Board of Accountancy is a seven-member board appointed by the governor, with one office in Boise. Since 1917, the Board has licensed and regulated CPAs in Idaho. The director and three staff members assist the Board in carrying out its responsibilities.

National concerns about accounting, auditing practices and ethics are paramount to the profession. The Idaho State Board of Accountancy strives to act swiftly in protecting the public whenever an issue arises with a possible impact upon the citizens of Idaho.

Core Functions/Idaho Code

The Board strives to provide cost effective and efficient services that are relevant to the needs of the public. Through these services, the Board promotes the reliability of financial information and the protection of the economic welfare of the citizens of the state. Specifically, the Board is required:

- To protect the public.
- To adopt and enforce rules of professional ethics and conduct for certified public accountants and licensed public accountants.
- To determine and review the qualifications of applicants for the Uniform CPA exam and to oversee the administration of this exam.
- To grant CPA certificates to those who have met the legal requirements.
- To annually renew licenses.
- To monitor compliance with Continuing Professional Education requirements.
- To conduct administrative hearings.
- To register public accounting firms.
- To monitor compliance with Peer Review requirements.
- To administer other provisions of *Idaho Code* Chapter 2, Title 54.

Revenue and Expenditures

Revenue	FY 2016	FY 2017	FY 2018	FY 2019
State Regulatory Fund	\$468,000	\$477,300	\$435,710	\$444,375
Total	\$468,000	\$477,300	\$435,710	\$444,375
Expenditures	FY 2016	FY 2017	FY 2018	FY 2019
Personnel Costs	\$219,200	\$265,200	\$268,048	\$268,641
Operating Expenditures	\$180,000	\$166,400	\$181,620	\$166,195
Capital Outlay	0	\$5,400	0	0
Trustee/Benefit Payments	0	0	0	0
Total	\$399,200	\$437,000	\$449,668	\$434,836

Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2016	FY 2017	FY 2018	FY 2019
Active CPA & LPA Licenses	2,709	2,748	2,766	2,765
CPA exam sections taken	812	864	623	529
Monitoring Continuing Professional Education – Reports Submitted	2,644	2,715	2,851	2,847
Register Public Accounting Firms	253	239	235	225
Investigate complaints	9	16	8	8
Create newsletter	2	3	2	2

Licensing Freedom Act

Agencies who participate in licensure must report on the number of applicants denied licensure or license renewal and the number of disciplinary actions taken against license holders.

	FY 2016	FY 2017	FY 2018	FY 2019
LICENSED CPA				
Total Number of Licenses	3,133	3,173	3,205	3,136
Number of New Applicants Denied Licensure	5	3	1	1
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	8	12	7	7
Number of Final Disciplinary Actions Against Licensees	5	6	3	6
LICENSED PUBLIC ACCOUNTANT				
Total Number of Licenses	12	10	9	9
Number of New Applicants Denied Licensure	N/A	N/A	N/A	N/A
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0	0	1	0
Number of Final Disciplinary Actions Against Licensees	0	0	1	0
FIRM REGISTRATION				
Total Number of Licenses	253	239	235	225
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	1	4	0	1
Number of Final Disciplinary Actions Against Licensees	1	4	0	1

Red Tape Reduction Act

Each agency shall incorporate into its strategic plan a summary of how it will implement the Red Tape Reduction Act, including any associated goals, objectives, tasks, or performance targets. This information may be included as an addendum.

	As of July 1, 2019
Number of Chapters	1
Number of Words	11,147
Number of Restrictions	128

FY 2019 Performance Highlights

Despite the total number of licenses declining by a total of 69, the decrease in active CPA licensees was only one. This would correlate to the decreases coming from those with an Inactive or Retired CPA license. There are still nine active LPA's in the state who can perform the same services as a CPA. This type of license, however, is no longer issued. The total number of registered firms continued to decrease as a result of Idaho having firm mobility which means a firm from another state or jurisdiction can provide services to Idaho clients if they are registered in their home state and are participating in a peer review program in said state. Additionally, fewer Idaho licensees electing to provide peer reviewable services. The Board will continue to work internally and externally with stakeholders on the Licensing Freedom Act, Executive Order 2019-02. The Board has already reduced the number of words in the Accountancy Rules by 1,045 and the restrictive words by 148. Efforts to further comply with the Executive Order will continue during the duration of the Order.

Part II – Performance Measures

Performance Measure		FY 2016	FY 2017	FY 2018	FY2019	FY2020
Licensing						
1. New CPA licenses issued	actual	124	115	141	133	-----
	target	115	115	115	115	125
2. Active Licensees requesting CPE extensions	actual	2.9%	2.9%	2.7%	2.4%	-----
	target	3%	2%	2%	2%	2%
Discipline/Regulation and Oversight						
3. Verified complaints closed by one hundred eighty (180) days	actual	72%	77%	75%	77%	-----
	target	75%	75%	75%	75%	75%
4. Firms peer reviewed with second consecutive rating below Pass	actual	5.5%	7.3%	4.9%	1.4%	-----
	target	2%	2%	2%	2%	2%
Examination						
5. Authorizations to Test Issued	actual	625	588	503	438	-----
	target	600	640	640	640	640

Performance Measure Explanatory Notes

The number of new licensees had a slight drop during the fiscal year, but the target was still achieved. New licensure has a direct relationship to those taking the CPA exam and once again the number of Authorizations to Test issued by the agency were down even though Exam revenue for the fiscal year increased over the past period. The decline in the number of Authorizations to Test is a national trend which can be attributed to several factors with the primary one being the current economy. The consensus is potential candidates can find employment without taking the CPA exam. Similar trends have been reported in times of low unemployment and economic growth. The American Institute of Certified Public Accountants (AICPA) has done extensive research on this matter over the past few years and will continue to monitor along with state boards. Continuous/year around testing is set to launch in July of 2020. The Board, in adhering to the Idaho Accountancy Act and Rules, continued to regulate the profession to protect the public. The Board will continue to strive to close 75% of all verified complaints within a 180-day window. The Board continued to work with licensees to reduce the number of requests for Continuous Professional Education (CPE) extensions. Qualified and timely completion of CPE is an extremely important aspect of the profession. Therefore, the Board, along with the CPE Committee will again focus on a goal of having no more than 2% of licensees submit a request for an extension of time to complete their professional education learning.

For More Information Contact

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