

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

Financial Overview

For the Three Months Ended November 30, 2013

	Actual	Budget YTD	Variance	Percent
Revenues - YTD	\$ 1,315,640	\$ 1,350,940	\$ (35,300)	-2.6%
Expenditures - YTD	\$ 1,323,337	\$ 1,312,339	\$ 10,999	0.8%
Net - YTD	(7,697)	38,601	(46,298)	
Transfer Out - SDSI annual payment (pro rata accrual)	\$ (703,344)	\$ (703,344)	\$ -	0.0%

Revenues: See Revenue Budget Summary for additional information

- revenue collected was under budget by 2.6%
 - Firm office fees lower than budget
 - Exam fees lower than budget

		EXHIBIT II
Beginning Fund Balance 9/01/13	\$	3,112,066
Revenues		1,315,640
Expenditures		(1,316,418)
Other Financing Sources (Uses)		(718,870)
Ending Fund Balance 11/30/13	\$	2,392,417
		net reduction in FB
	\$	(719,649)

Expenditures: See Expenditure Budget Summary for additional information

- expenditures over budget by .8% (eight tenths of one percent):
 - See Expenditure Budget Summary for discussion of budget items.

Budget Expenditures include encumbrances of \$5,679.15; EXH II expenditures include prior year accrual reversals of \$1,239.76.

Performance Measures:

	Sept. 13-Nov. 13	Dec. 13-Feb. 14	Mar. 14-May 14	June 14-Aug. 14	YTD	FY 13
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.		
Exam Related Measures:						
Individuals examined	2,749				2,749	11,032
Sections Taken	3,581				3,581	14,848
Average Sections Taken per Individual	1.30	#DIV/0!	#DIV/0!	#DIV/0!	1.30	1.35

Licensing Related Measures:

Number of individuals licensed	69,444				not cumulative	69,134
Number of business facilities licensed	9,922				not cumulative	9,960
Number of Peer Reviews conducted	258				258	1,236

Sponsor Review Program Related Measures:

Number of CPE Sponsors Reviewed	61				61	178
Number of CPE Sponsors Subject to Review	618				not cumulative	629

Enforcement Related Measures:

	Sept. 13-Nov. 13	Dec. 13-Feb. 14	Mar. 14-May 14	June 14-Aug. 14	YTD	FY 13
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.		
Administrative:						
Open cases, Beginning	1,043	870	870	870	1,043	1,076
Cases opened	633				633	2,453
Cases closed	(807)				(807)	(2,505)
Previous quarter adjustment	1				1	19
Open cases, Ending	870	870	870	870	870	1,043

Average time for complaint resolution (days)	154.2				148.2	149.7
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Disciplinary:

Open cases, Beginning	384	327	327	327	384	468
Cases opened	73				73	490
Cases closed	(122)				(122)	(623)
Previous quarter adjustment	(8)				(8)	49
Open cases, Ending	327	327	327	327	327	384

Average time for complaint resolution (days)	182.4				168.3	212.7
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Cases opened and closed categories include adjustments for reclassification of cases and report timing.

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

Unaudited

FY 14 1st Quarter Budget - Revenues and Expenditures

Funds 2858 and 1009, Board of Public Accountancy Local Operating Funds (USAS D23 Funds: 2858 & 1009)

For the Three Months Ended November 30, 2013

	Actual	Annual Budget	Variance	Actual as a Percent of Budget 25%
Revenues:				
CPA License Fees	\$ 717,258	\$ 2,900,105	\$ (2,182,847)	25%
CPE Sponsor Fees	115,000	375,320	\$ (260,320)	31%
Practice Unit Fees	145,539	718,298	\$ (570,759)	20%
Penalties - License Fee Late Payment	147,860	603,329	\$ (455,469)	25%
Examination Fees	126,420	588,870	\$ (462,450)	21%
Other	63,563	219,837	\$ (156,274)	29%
Total Revenues (Note A)	\$ 1,315,640	\$ 5,403,759	\$ (4,088,119)	24%
Expenditures:				
Salaries and Wages	594,026	\$ 2,497,038	1,903,012	76%
Payroll Related costs	161,439	579,625	418,186	72%
Professional Fees & Services	158,598	800,404	641,806	80%
Travel	30,655	75,000	44,345	59%
Materials and Supplies	41,397	242,655	201,258	83%
Communication and Utilities	13,262	59,556	46,294	78%
Repairs and Maintenance	16,570	34,511	17,941	52%
Rental and Leases	33,407	135,748	102,342	75%
Printing and Reproduction	12,142	97,791	85,649	88%
Other Operating Expenditures	171,841	597,275	425,434	71%
Public Assistance Payments	90,000	90,000	-	0%
Capital Outlay		29,960	29,960	100%
Total Expenditures (Note A)	\$ 1,323,337	\$ 5,239,562	\$ 3,916,225	75%
Excess (Deficiency) of Revenues Over Expenditures	(7,697)	164,197	(171,894)	
Other Financing Sources (Uses):				
Net Change in Reserve for Inventories			-	
Refunds			-	
Transfers Out (Fd 0001) Article 8930 Sec. 6 (c)	(703,344)	(703,344)	-	
Total Other Financing Sources (Uses):	(703,344)	(703,344)	-	0%
Net Change in Fund Balance	(711,041)	(539,147)	(171,894)	
Fund Balance, September 1, 2013 (Note B)	3,112,066	3,112,066	-	
Ending Fund Balance, November 30, 2013 (Note C)	\$ 2,401,025	\$ 2,572,918	(171,894)	-7%

Explanatory Notes:

A	Total Revenues - YTD (Budget)	\$ 1,315,640
	Adjustment	
	Total Revenues - EXH II	<u>\$ 1,315,640</u>
A	Total Expenditures - YTD (Budget)	\$ 1,323,337
	Less: FY 13 Encumbrances	
	FY 14 Encumbrances	(5,679)
	FY 13 AP expenditures/reversals	(1,240)
	Total Expenditures - EXH II	<u>\$ 1,316,418</u>
B	Fund Balance, September 1, 2013:	
	Consumable Inventories	60,600
	Excess of Revenues & Other Financing Sources over Expenditures & Other Financing Uses	3,051,466
	Total Fund Balance, September 1, 2013	<u>\$ 3,112,066</u>

C The Board adopted a formal policy on May 18, 2006 to establish the appropriate level of the agency's unreserved/designated fund balance in the amount of \$3,000,000 to meet anticipated obligations. Included in this formal policy is an annual review of the unreserved/designated fund balance. The Board reduced the fund balance reserve to \$1,500,000 at its July 19, 2007 meeting, effective for FY 2009, beginning September 1, 2008.

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

Performance Measures Report - FY 14

For the Three Months Ended November 30, 2013

		Target	Sept. 13-Nov. 13	Dec. 13-Feb. 14	Mar. 14-May 14	June 14-Aug. 14	YTD	Variance	Target Variance	Explanation
			1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.				
1-1-1 Licensing:										
Number of individuals licensed	<i>Explanatory</i>	67,964	69,444				69,444	102%	100%	
Number of business facilities licensed	<i>Explanatory</i>	9,990	9,922				9,922	99%	100%	
<i>Key</i> Individuals examined	<i>Output</i>	11,986	2,749				2,749	23%	25%	
Sections Taken	<i>Output</i>	17,087	3,581				3,581	21%	25%	
Average Sections Taken per Individual	<i>Output</i>	1.43	1.30				1.30	102%	100%	
<i>Key</i> Average License Cost per Individual	<i>Efficiency</i>	\$ 11.55	\$ 11.19				\$ 11.19	97%	100%	
<i>Key</i> Average License Cost per Facility	<i>Efficiency</i>	\$ 9.12	\$ 9.58				\$ 9.58	105%	100%	a
1-2-1 Peer Review:										
<i>Key</i> Number of Peer Reviews Conducted	<i>Output</i>	1,232	258				258	21%	25%	
1-3-1 Sponsor Review:										
<i>Key</i> Percentage of CPE sponsors receiving favorable review	<i>Outcome</i>	97%	100.0%				100.0%	103%	100%	
<i>Key</i> Number of CPE sponsors reviewed	<i>Output</i>	221	61				61	28%	25%	
<i>Key</i> Number of CPE sponsors subject to sponsor review	<i>Explanatory</i>	643	618				618	96%	100%	
2-1-1 Enforcement										
Average time for complaint resolution (days) - Admin.	<i>Efficiency</i>	150	154.2				154.2	103%	100%	
<i>Key</i> Average time for complaint resolution (days) - Disc.	<i>Efficiency</i>	242	182.4				182.4	75%	100%	b
3-1-1 Public Information:										
<i>Key</i> Number of Written Responses	<i>Output</i>	42,231	10,502				10,502	25%	25%	

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

Performance Measures Report - FY 14

For the Three Months Ended November 30, 2013

Explanations:

- a The Average License Cost per Facility (\$9.58) during the first 3 months of FY 14 was above the target of \$8.50 due to higher than projected expenditures.
- b The Average Time for Complaint Resolution (days) for disciplinary cases of 182.4 days during the first 3 months of FY 14 was below the target level of 242 days. The nature of complaint resolution does not lend itself to comparison with a static target. While the target level of 242 days was established based on historical records, legal activities in the enforcement process, such as postponements, depositions, subpoena issuances, re-discovery, and exchange of interrogatories all vary on a case-by-case basis. The variations of these elements affect the amount of time required to resolve complaints.