



Connecticut Board Of Accountancy: The Struggle of a 100 Year Old Agency to Survive

presented by

David Guay, Executive Director

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The Context

- Governor M. Jodi Rell's February, 2009 budget recommended the elimination of the State Board of Accountancy, a 100 year old entity
 - Executive Director position was proposed for statutory elimination
 - Board licensing and regulatory functions would be absorbed by overburdened consumer protection agency
 - 40% of staffing slashed

What Happened?

- Connecticut's economy had collapsed
- State was looking at a biennial budget deficit of \$8 billion over two years (over 20%)
- Although vast majority of states were facing similarly difficult budgets, CT's was among the worst
 - Tax revenue tied closely with Wall Street fortunes
 - With Wall Street collapse, so went CT revenues

First Thoughts

- Budget was a surprise; reorganization one of many recommended to downsize state government
- Budget crisis precipitated wide scale agency budget cuts and employee givebacks
- Emphasis was on saving taxpayer funding; not on specific agency quality of work
- State Board of Accountancy (SBOA) was caught in a larger fiscal problem not of its making

Strategies and Response

- SBOA decided on its approach
 - Caught up in fiscal crisis; Board did not want to question Governor directly but to point out opportunities for an improved outcome
 - Important to retain good relationships with Executive Branch (Don't burn bridges!)
 - All Board members presented their ideas and all were considered
 - A measured response was decided upon

Public Responses

- Even a measured response requires public response
- SBOA testified in favor of retaining SBOA independence at:
 - Legislative fiscal committee
 - Legislative program committee
 - Legislative budget workshop

NASBA Was Terrific!

- SBOA needed outside and credible assistance
- NASBA provided it with:
 - Research
 - Advice
 - Correspondence
 - Testimony
 - Other state examples

Private Relationships Count, Too

- Each SBOA member identified those decision-makers with whom they had personal relationships
 - Key legislators were contacted and provided with SBOA story; reasons why it should be independent
 - Budget officials heard about the SBOA history, including why the consumer protection option had not worked when tried before

Lessons Learned

- Remember not to show disrespect for any of the decision-makers! You still have to work with them.
- Public posture must be organized and provide a coherent and consistent message.
- Private message should be based on existing relationships; not enough time to develop new ones

Remember...

- Don't panic if your board is scheduled for consolidation or elimination
- Do plan both a public and private strategy
- Consider bringing in NASBA who can provide well-spoken and reasoned arguments in your favor
- It is never over; a battle won today could be easily replayed next year