
State Board Relevance and Effectiveness Committee

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NASBA Regional Meetings

June 13-15, 2012, Philadelphia, PA

June 27-29, 2012, Anchorage, AK

NASBA Goals for SBREC

To increase the effectiveness of State Boards.

It is believed that Boards with independent operating characteristics are more effective.

Translates to the goal: Retain and increase the number of Boards with independent characteristics.

SBREC

- 24 members
 - 4 are Executive (or Deputy) Directors
 - Committee divided into 3 subcommittees
 - State Board Support
 - Co-Chairs Rick Sweeney and Mike Henderson
 - State Society & AICPA Relations
 - Co-Chairs Mike Barham and Cheryl Wilson
 - Legislative Initiatives
 - Co-Chairs Carlos Johnson and Pat Hearn
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State Board Support

Committee wants to develop the tools to support and assist a Board in obtaining more independence.

- What are the characteristics of an independent Board?
 - Survey sent in Oct/Nov 2011
 - 8 questions to help define independence
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Survey Questions

1. Stand-alone agency
 2. Board appointments and composition
 3. Required board reporting
 4. Board funding/revenue sources
 5. Staffing
 6. Budget and spending levels
 7. Rule making authority
 8. Disciplinary authority
 9. Enforcement performance measures
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Next Steps

41 of 55 jurisdictions responded.

Armed with that information, then what?

Develop tools and strategies so NASBA can assist your Board in becoming more effective.

Highlights

24 Boards were stand-alone agencies.

Appointment

- ❑ 38 by governor
- ❑ 36 had relevant knowledge & experience
- ❑ 25 Boards with public members

Board Composition

- ❑ 41 Boards have CPA majority
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Highlights

Funding

- ❑ 32 funded by exam and license fees and fees set by Board
- ❑ 29 believed revenues were adequate to cover operating expenses
- ❑ 21 Boards control surplus

Staffing

- ❑ 20 Boards have sole authority to hire, promote, and compensate
 - ❑ 26 Boards do not share staff
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Highlights

- Budgeting
 - 2 Boards control without review
 - 29 Boards find approval process limits effectiveness
 - 41 Boards have sole rule making authority
 - 40 Boards have sole disciplinary authority
 - 19 Boards can engage legal counsel
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Highlights

- 33 regularly compile enforcement statistics
 - 24 categorized enforcement statistics
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State Society and AICPA

Importance of making Society and AICPA
aware of Board relevance

Survey sent to Boards (EDs and Chairs)

Survey sent to Society (EDs and Chairs)

- 54 responses to date
 - 36 jurisdictions responded
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Highlights

- Results show a majority of the Boards have positive relations with Society (of the 36 states responding).
 - Some do need attention
 - Some Boards/Societies have opposite views
 - Several Boards do not regularly attend Society's board meetings.
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Highlights

- Most states indicated that Society board members/staff attend State Board meetings
 - Attributes that indicate working relationships
 - Work closely on legislation
 - Attend each other's meetings
 - Joint summit meetings
 - Joint task forces working on key issues
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Legislative Initiatives

- Has prepared a draft communication product
 - Boards may use template to communicate their activities
 - Every legislator, every year
 - Working on an initiative to summarize nationwide enforcement activities and statistics
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We Need Your Input

- Plowing new ground
 - We need information
 - We are here to help
 - NASBA will provide
 - Staff assistance
 - Vice President of State Board Relations Dan Dustin
 - Legislative Affairs Director John Johnson
 - Legal assistance
 - Committee assistance
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Thank You!

It is always good to visit with this group.