



2010 - 2012 Strategic Plan



CALIFORNIA BOARD OF
ACCOUNTANCY

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Introduction

This Strategic Plan identifies nine goals and 45 objectives developed to enable the California Board of Accountancy (CBA) to meet its statutory mandate that protection of the public shall be its highest priority in exercising its licensing, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount. In meeting its mandate and mission, the CBA also strives to deliver the highest standards of service to all concerned, affected, and interested parties. While it will be challenging to execute the goals and objectives outlined here, this action-oriented plan is focused on consumer protection, customer service, and ensuring the CBA is responsive to the needs of our many stakeholders.

This plan is the outcome of planning workshops facilitated by the Department of Consumer Affairs' Strategic Organization, Leadership, and Individual Development team, and included CBA members, management and staff. The plan is intended to be staged over a three year period and updated as warranted. It reflects the reorganization of the Enforcement Division, consideration of a mandatory peer review process, and takes into account future resource needs.

The Strategic Plan focuses the efforts of the CBA to achieve the mandates of the Accountancy Act (California Business and Professions Code, Section 5000 *et. seq.*) and Accountancy Regulations (California Code of Regulations, Title 16, Division 1), as well as the policy directions of CBA Board members.

In an environment of fiscal and staffing constraints, the CBA articulates the following goals:

- Goal 1:** Pursue an active, effective, and efficient Enforcement Program to maximize consumer protection.
- Goal 2:** Deliver the highest level of customer service.
- Goal 3:** Enhance examination, licensure, license renewal, and practice privilege processes.
- Goal 4:** Provide and maintain effective and timely outreach to all CBA stakeholders.
- Goal 5:** Maintain an active presence and leadership role that efficiently leverages the CBA's position of regulatory influence.
- Goal 6:** Enhance internal processes to deliver responsive, effective, and innovative services to maximize limited resources.

Goal 7: Promote licensee competency.

Goal 8: Improve efficiency and information security through use of existing and emerging technologies.

Goal 9: Promote staff development and retention.

Mission and Vision Statements

Our Mission

To protect consumers by ensuring only qualified licensees practice public accountancy in accordance with established professional standards.

Our Vision

All consumers are well informed and receive quality accounting services from licensees they can trust.

Core Values and Guiding Principles

Core values support the mission of the CBA and are essential to the success of this organization. Guiding principles embody the core values, are practiced in performing daily functions, and are utilized to fulfill the CBA's mission and vision.

Integrity

The CBA will act in an honest, ethical, and professional manner in all endeavors, and fully disclose all pertinent information.

Quality

The CBA will deliver service, information, and products that reflect excellence.

Openness

The CBA will actively promote the sharing of ideas and information throughout the organization and with the public, and be receptive to new ideas.

Initiative

The CBA will encourage creatively looking at problems and processes and actively seek solutions and improvements.

Respect

The CBA will be responsive, considerate, and courteous to all, both within and outside the organization.

Accountability

The CBA will take ownership and responsibility for its actions and their results.

Teamwork

The CBA will promote cooperation and trust at all levels by working with and soliciting the ideas and opinions of others.

Organization Description

From its inception in 1901, the CBA has, by statute, been charged with regulating the practice of accountants the public could rely upon as being competent. The original law prohibited anyone from falsely claiming to be a certified public accountant, a mandate which exists today. By authority of the California Accountancy Act, the CBA:

- Ensures that only candidates who meet certain qualifications are allowed to take the national Uniform Certified Public Accountant (CPA) Examination.
- Certifies, licenses and renews licenses of individual CPAs and Public Accountants (PA).
- Registers accountancy partnerships and accountancy corporations.
- Takes disciplinary action against licensees for violation of CBA statutes and regulations.
- Monitors compliance with continuing education requirements; reviews work products of CPAs, PAs and accountancy firms to ensure adherence to professional standards.

In 1971, the Legislature located the CBA within the newly-created Department of Consumer Affairs. The CBA currently regulates 76,500 licensees and 4,989 firms, the largest group of accounting professionals in the nation.

The CBA establishes and maintains entry level standards of qualification and conduct within the accounting profession, primarily through its authority to license. Through its Examination and Initial Licensure Programs, the CBA qualifies California candidates for the national Uniform CPA Examination; certifies and licenses individual CPAs, registers accountancy partnerships and accountancy corporations.

The CBA's Renewal and Continuing Competency Program focuses on license renewal, ensuring that licensees maintain the current professional knowledge necessary for competent performance. Enhancements to continuing education ethics requirements and anticipated Peer Review legislation are expected to further strengthen licensee competency.

Through its Practice Privilege Program, the CBA registers out-of-state CPAs to practice public accountancy in California who possess a valid and active license, certificate, or permit from a substantially equivalent state as deemed by the CBA and defined by Section 5093 of the California Accountancy Act, or who possess individual education, examination, and experience qualifications that have been determined by the CBA to be substantially equivalent to the qualifications under Section 5093 of the California Accountancy Act.

The objective of the CBA's Enforcement Program is to protect consumers, minimize substandard practice, rehabilitate and discipline licensees, as warranted. The CBA has the authority to discipline not only individuals, but firms. In light of challenges in staff recruitment, the CBA is restructuring its Enforcement Division in order to meet both current and future needs. Enforcement activities include investigating complaints against persons practicing public accountancy without a license and taking disciplinary actions against licensees for violations of statutes and regulations. In addition, this program monitors compliance with continuing education requirements, and it actively reviews the work products of CPAs, PAs and accountancy firms to ensure compliance with appropriate professional standards.

The CBA is self-funded, supported by fees paid by the professional community it regulates, and draws no monies from taxpayers nor the General Fund. Renewal fees fund the Enforcement and the Continuing Competency Programs. From the fees collected, the reserve balance in the CBA's contingent fund shall be equal to approximately nine months of annual authorized expenditures.

Goals and Objectives

All goals and objectives support the mission and vision of the CBA.

Further, the CBA uses performance measures, where applicable, to track progress in achieving its goals and objectives, and to identify areas for improvement. Performance measures reflect the consumer protection mission of the CBA and provide a common focus for achievement.

Goal 1 Pursue an active, effective, and efficient Enforcement Program to maximize consumer protection.

Objectives

- 1.1 Recruit effective leadership for the Enforcement Program.
- 1.2 Evaluate the outcome of the Enforcement study and implement recommendations as appropriate.
- 1.3 Achieve salary parity for Investigative Certified Public Accountant (Investigative CPA) staff to ensure success in hiring and retention efforts.
- 1.4 Achieve an Investigative CPA staffing level to adequately address workload demands.
- 1.5 Continue to interface with other accounting regulatory agencies to assist the CBA's enforcement responsibilities.
- 1.6 Expand field work by Investigative CPAs.
- 1.7 Increase licensees' awareness of the consequences of unprofessional conduct.
- 1.8 Educate licensees about reportable events responsibilities.
- 1.9 Seek to remove or extend the Practice Privilege Program sunset date.

Goal 2 Deliver the highest level of customer service.

Objectives

- 2.1 Respond to all inquiries within a reasonable time frame.
- 2.2 Maintain a secure and relevant Web site that provides enhanced interactive features.
- 2.3 Explore the use of technology to enhance customer service.
- 2.4 Continue enhancing customer service through use of survey tools.

Goal 3 Enhance examination, licensure, license renewal, and practice privilege processes.

Objectives

- 3.1 Achieve reasonable timeframes for processing license renewal applications.
- 3.2 Define “principle place of business” for Practice Privilege holders in the regulations.
- 3.3 Provide the option for online application for licensure and license renewal.
- 3.4 Accept credit card payments.

Goal 4 Provide and maintain effective and timely outreach to all CBA stakeholders.

Objectives

- 4.1 Ensure that all communications are current.
- 4.2 Transition the CBA’s Web site to the standards of the State Portal architecture and functionality.
- 4.3 Increase the CBA’s visibility and reputation with the legislature.
- 4.4 Develop a communication plan that increases and prioritizes outreach efforts and focuses on key messages.
- 4.5 Increase transparency of CBA activities.
- 4.6 Evaluate options for delivering agenda materials.
- 4.7 Develop and maintain brochures promoting consumer protection.

Goal 5 Maintain an active presence and leadership role that efficiently leverages the CBA’s position of regulatory influence.

Objectives

- 5.1 Proactively work with the American Institute of Certified Public Accountants (AICPA), National Association of State Boards of Accountancy (NASBA), and Prometric on behalf of national Uniform CPA Examination candidates to resolve issues in a fair and expeditious manner.
- 5.2 Establish a policy for CBA Board member participation in national committees.

- 5.3 Monitor national association activities and respond as appropriate.

Goal 6 Enhance internal processes to deliver responsive, effective, and innovative services to maximize limited resources.

Objectives

- 6.1 Develop a process improvement plan for each program with target dates for implementation.
- 6.2 Include appropriate representation from all divisions when developing new policies, rules, or regulations.
- 6.3 Review and refine organizational structure as necessary.
- 6.4 Maintain a plan to ensure that the CBA has adequate staffing and skill levels in response to employee retirement and attrition.
- 6.5 Redesign existing workspace to enhance organization cohesiveness and productivity.
- 6.6 Evaluate internal document review processes.

Goal 7 Promote licensee competency.

Objectives

- 7.1 Implement mandatory peer review in California.
- 7.2 Educate licensees about the peer review process.
- 7.3 Explore the feasibility of conducting educational workshops in various regions of the state.
- 7.4 Review general accounting experience requirements for licensure and revise regulations as warranted.

GOAL 8 Improve efficiency and information security through use of existing and emerging technologies.

Objectives

- 8.1 Apply best practices to safeguard the confidentiality, integrity, and availability of CBA's information assets.
- 8.2 Pursue integration of all internal CBA databases.
- 8.3 Plan for consolidation with DCA's IT systems.
- 8.4 Transition to electronic data storage.

Goal 9 Promote staff development and retention.

Objectives

- 9.1 Evaluate staff annually and provide essential training to maintain currency of knowledge and achieve optimum skill levels.
- 9.2 Design a process for cross-training staff for operational and promotional opportunities.
- 9.3 Hold an annual staff conference for individual development and team building.
- 9.4 Develop and implement a staff recognition program.



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