

# Texas State Board of Public Accountancy



## Annual Report of Nonfinancial Data

For the Year Ended August 31, 2016



TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY  
WILLIAM TREACY, EXECUTIVE DIRECTOR

333 Guadalupe, Tower 3, Suite 900  
Austin, Texas 78701-3900

512-305-7800  
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December 31, 2016

Honorable Greg Abbott, Governor  
Honorable Dan Patrick, Lieutenant Governor  
Honorable Joe Straus, Speaker of the House  
Lisa R. Collier, CPA, CFE, CIDA, First Assistant State Auditor  
Ursula M. Parks, Director, Legislative Budget Board

Ladies and Gentlemen:

We are pleased to submit the *Annual Report of Nonfinancial Data* of the Texas State Board of Public Accountancy for the year ended August 31, 2016, in compliance with the TEX. GOV'T CODE ANN. §2101.0115 and in accordance with the instructions for completing the *Annual Report of Nonfinancial Data*.

The accompanying report has not been audited and is considered to be independent of the agency's *Annual Financial Report*.

If you have any questions, please contact Alan Hermanson, CPA, at (512) 305-7814.

Sincerely,

TEXAS STATE BOARD OF  
PUBLIC ACCOUNTANCY

A handwritten signature in cursive script, reading "William Treacy".

WILLIAM TREACY  
Executive Director

Enclosure

xc: Legislative Reference Library  
Texas State Library

Administration/  
Accounting  
(512) 305-7800

General  
Information  
(512) 305-7870

CPE  
(512) 305-7844

Enforcement  
(512) 305-7866

Licensing  
(512) 305-7853

Qualifications  
(512) 305-7851

Peer Review  
(512) 305-7853

Fax  
(512) 305-7875  
(512) 305-7854

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# TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

Austin, Texas

## ANNUAL REPORT OF NONFINANCIAL DATA

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**TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY (457)**
**SCHEDULE OF BONDED EMPLOYEES**

During the year, the Board had in force a surety bond covering all employees through the Garrett Abney Company in the amount of \$300,000. The following employees were covered as of August 31, 2016.

EMPLOYED AS OF AUGUST 31, 2016

Gabriel Amaya	Legal Assistant I
Bryce Beasley	Program Specialist I
Paulette Beiter	Attorney IV
Sandra Bradshaw	Inspector IV
Josephine Briones	Administrative Assistant III
Roel Cantu	Program Supervisor III
Ismael Castillo, Jr.	Executive Assistant II
Delia Castro	Program Specialist I
Shadia Conn	Accountant III
Jennifer Costilla	Inspector III
Karen Davis	Director II
Patrick Doré	Administrative Assistant III
Tiffney Duncan	Program Specialist II
Rhonda Fellner	Administrative Assistant III
Edwin Fitzgerald	Attorney IV
Jackie Frazier	Manager III
Gilbert Gutierrez	Program Specialist II
Alan Hermanson	Dir. of Administrative Services/CFO
Jerry Hill	General Counsel IV
Donna Hiller	Director I
Jean Ickes	Program Specialist III
Joseph Jaffe	Investigator I
Betty Lackey	Administrative Assistant II
Maria Lagunas	Staff Services Officer IV
Marissa Mahoney	Investigator II
Kyle McGaw	Director I
Kenny Pettitte	Program Specialist I
Julie Prien	Information Specialist III
Marisa Rios	Legal Assistant II
Anthony Sanchez	Inspector IV
April Serrano	Program Specialist III
Margie Sheehan	Administrative Assistant II
Andrea Smith	Program Specialist I
Jon Smith	Systems Analyst V
Tina Smith	Program Specialist II
William Treacy	Executive Director
Cherylyn Turner	Inspector III
Aisha Vaz	Accountant II
Margaret Warpenburg	Systems Analyst V
Daniel Weaver	Director I

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

SCHEDULE OF SPACE OCCUPIED

For the Fiscal Year Ended August 31, 2016

Location	Address	Lessor	Lease No.	Type	Usable Square Feet	FTEs	Rental Per Month		Actual Annual Cost	Comments
							Cost per Sq. Ft	Cost per Month		
State-Owned Buildings:										
Austin <sup>a</sup>	William P. Hobby Jr. Building				10,672	40	\$ 1.50	\$16,008.00	\$ 192,096.00	See comment A below
					10,672	40	\$ 1.50	\$16,008.00	\$ 192,096.00	
Free Space:										
					0					
					0					
Leased or Rented Space:										
Austin <sup>b</sup>	4400 Shoal Creek Blvd.	Texas State Library and Archives Commission		Storage					\$ 8,404.92	See comment B below
Austin <sup>c</sup>	5426 Guadalupe, Ste 100	Renaissance Systems, Inc.		Storage					\$ 400.00	See comment C below
Swearing-in Ceremony <sup>d</sup>										
Austin	900 Barton Springs Rd.	Austin Convention Center		Palmer Events Center	0	N/A	\$ -	\$ -	\$ 7,162.00	See comment D below
									\$ 15,966.92	

Section 2165.104, Government Code:  
The Board is a Self-Directed Semi-Independent Agency pursuant to Texas Government Code, Chapter 472.

<sup>a</sup> Actual Annual Cost:

Rent accrued as of August 31, 2016	\$ 98,350.00
Rent portion of Statewide Cost Allocation Plan (SWCAP) paid to the Comptroller of Public Accounts	93,746.00
<b>Total Rent Expenditure - FY 16</b>	<b>\$ 192,096.00</b>

<sup>b</sup> Storage of records is measured in quantity of records, not usable square feet or by FTEs. Cost per square feet and cost per month vary by type of record.

<sup>c</sup> Rental of poly box to store supplies and equipment for disaster recovery and practice drills.

<sup>d</sup> The Texas State Board of Public Accountancy administered the Swearing-in Ceremony two times in 2016. The usable square feet, FTEs, cost per square feet and cost per month are not measurable due to space changing at each site depending on the number of exam candidates/licensees in attendance.

## TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

**SCHEDULE OF PROFESSIONAL, CONSULTING, AND LEGAL SERVICE FEES**  
For the Year Ended August 31, 2016

<u>Name</u>	<u>Type of Service Rendered</u>	<u>Amount</u>
<b>Professional and Consulting Fees:</b>		
Fund 1009, Appropriation Year 2016		
THOMAS & THOMAS, LLP	PEER REVIEW CONSULTANT	\$ 20,959.96
TEAGUE, MARQUESS & ASSOCIATES, P.C.	PEER REVIEW CONSULTANT	15,054.55
WATERS, VOLLMERING & ASSOCIATES, LLP	PEER REVIEW CONSULTANT	15,150.96
HARPER & PEARSON CO., P.C.	TECHNICAL STANDARDS REVIEW SERVICES	162,985.85
DAVIS KINARD & CO, PC	TECHNICAL STANDARDS REVIEW SERVICES & BEHAVIORAL ENFORCEMENT SERVICES	35,183.91
CANTRELL & CANTRELL, PLLC	BEHAVIORAL ENFORCEMENT SERVICES	4,620.00
STRASBURGER & PRICE, LLP	BEHAVIORAL ENFORCEMENT SERVICES	2,137.40
DUBOIS BRYANT & CAMPBELL, LLP	BEHAVIORAL ENFORCEMENT SERVICES	7,462.50
BELEN BRIONES	BEHAVIORAL ENFORCEMENT SERVICES	16,108.46
RENAISSANCE SYSTEMS, INC.	CONSULTANT - COMPUTER	83,313.00
MONDAY N. RUFUS, CPA	INTERNAL AUDIT	24,965.00
ALLEN, PINNIX & NICHOLS, P.A.	TECHNICAL STANDARDS REVIEW SERVICES & BEHAVIORAL ENFORCEMENT SERVICES	2,515.51
OFFICE OF THE ATTORNEY GENERAL	LEGAL SERVICES	17,635.20
STATE OFFICE OF ADMINISTRATIVE HEARINGS	LEGAL SERVICES	25,742.00
LAW OFFICE OF MARY ALICE MCKAUGHAN	LEGAL SERVICES	229,747.24
VIRGINIA CAROL MOHER	LEGAL SERVICES	4,943.75
ALLIANCE WORK PARTNERS	WORKERS ASSISTANCE PROGRAM	992.12
<b>Total Professional, Consulting, and Legal Service Fees, page 3</b>		<b>\$ 669,517.41</b>

## TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

**SCHEDULE OF PROFESSIONAL, CONSULTING, AND LEGAL SERVICE FEES**  
**For the Year Ended August 31, 2016**

<u>Name</u>	<u>Type of Service Rendered</u>	<u>Amount</u>
<b>Professional and Consulting Fees:</b>		
Fund 1009, Appropriation Year 2016		
ALVA J. WINSTON, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,500.00
CHARLES S. WRIGHT, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,500.00
CONNIE Z. KELLY, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,562.50
DARLENE PULLIAM, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,375.00
DAVID CRUMBAUGH, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,500.00
HELEN C. DIAZ, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,625.00
JANET ANN SMITH, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,468.75
JENNIFER P. FADAL, CPA	SPONSOR REVIEW PROGRAM-REVIEW	3,343.75
JOHN E. JONES, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,812.50
KATHY M. ABSHIRE, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,250.00
MANNY CAVAZOS, J.D., CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,718.75
MARK A. TURNER, CPA	SPONSOR REVIEW PROGRAM-REVIEW	3,937.50
MICHAEL D. BURNETT, CPA	SPONSOR REVIEW PROGRAM-REVIEW	5,500.00
MICHAEL G. MCMENNAMY, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,750.00
MITCHELL SUTHERLIN, PLLC	SPONSOR REVIEW PROGRAM-REVIEW	8,925.00
NEAL R. VAN ZANTE, CPA	SPONSOR REVIEW PROGRAM-REVIEW	5,750.00
PAMELA EVANS, CPA	SPONSOR REVIEW PROGRAM-REVIEW	2,250.00
RAY G. NEWMAN, Ph.D., CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,437.50
RICHARD BALAND, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,625.00
RONALD O. HUNTSMAN, CPA	SPONSOR REVIEW PROGRAM-REVIEW	12,149.58
TIMOTHY PREBE, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,875.00
TIMOTHY R. MADRIGAL, CPA	SPONSOR REVIEW PROGRAM-REVIEW	4,750.00
<b>Total Professional, Consulting, and Legal Service Fees, page 4</b>		<u>\$ 110,605.83</u>
<b>GRAND TOTAL PROFESSIONAL, CONSULTING, AND LEGAL SERVICE FEES</b>		<u>\$ 780,123.24</u>

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

HUB STRATEGIC PLAN PROGRESS REPORT  
For the Fiscal Year Ended August 31, 2016

(Source: Texas Government Code, Title 10, Subtitle D, Section 2161.124)

Goal = Strategic Plan HUB Goal	Actual for FY 15 Reported by Comptroller	Actual for FY 16 Reported by Comptroller	Goal for FY 2017
Actual = % Spent with HUBs from HUB Report			
Heavy construction other than building contracts	N/A	N/A	N/A
Building construction, including general contractors and operative builders contracts	N/A	N/A	N/A
Special trade construction contracts	N/A	N/A	N/A
Professional services contracts	100.00% a	100.00% b	10.00%
Other services contracts	10.92% c	32.99%	10.00%
Commodities contracts	15.24%	46.56%	10.00%

a Total FY 15 expenditures = \$14,565

b Total FY 16 expenditures = \$10,642

c As Adjusted

Explanation for Actual Amounts, as Adjusted:

The total agency expenditures with HUBs was 35.58%, in FY 16. The statewide average was 11.30%.

Prepared by:




Printed Name: Alan L. Hermanson, CPA  
Director of Administrative Services/CFO

William Treacy  
Executive Director

Phone Number: (512) 305-7814

(512) 305-7800

**TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY**

**SCHEDULE OF APPROPRIATION ITEM TRANSFERS**  
For the Fiscal Year Ended August 31, 2016

This schedule is not applicable as the Texas State Board of Public Accountancy does not receive appropriations.

## TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

## SCHEDULE OF INDIRECT COSTS

For the Fiscal Year Ended August 31, 2016

<b>a. Payroll-related Costs:</b>	<u>EXH. II GAAP Group</u>	
FICA Employer Matching Contribution	Payroll Related Cost	\$ 187,182.71
Group Health Insurance	Payroll Related Cost	445,866.72
Retirement	Payroll Related Cost	190,670.92
Unemployment	Payroll Related Cost	680.20
FICA Employee Share Paid by State	Payroll Related Cost	0.00
<b>Total Payroll-related Costs</b>		<u>\$ 824,400.55</u>
<b>Workers' Compensation and Benefit Replacement Pay (BRP):</b>		
Workers' Compensation	Claims & Judgments	\$ 0.00
Benefit Replacement Pay	Salaries & Wages	9,056.91
<b>Total Workers' Compensation and BRP</b>		<u>\$ 9,056.91</u>
<b>b. Indirect Costs (not reported on operating statements):</b>		
Bond Debt Service Payments		
Texas Facilities Commission	N/A	\$ 0.00
TPFA		0.00
Other (if applicable)		0.00
<b>Total Indirect Costs (not reported on operating statements)</b>		<u>\$ 0.00</u>
<b>c. Indirect Costs - Statewide Full Cost Allocation Plan</b>		
Full Cost Method		
Building Depreciation	N/A	\$ 0.00
Equipment Depreciation	N/A	0.00
(304) CPA Administration	N/A	0.00
CPA Fiscal and ITD	N/A	0.00
CPA Purchasing & Support (TPASS)	N/A	0.00
CPA Rebates	N/A	0.00
DPS Capitol Security	N/A	0.00
(303) TFC Admin	N/A	0.00
TFC Planning and Asset Management	N/A	0.00
OOG BPP & Financial Accountability	N/A	0.00
(809) State Preservation Board	N/A	0.00
<b>Total Indirect Costs - Statewide Full Cost Allocation Plan <sup>1</sup></b>		<u>\$ 0.00</u>
<b>TOTAL INDIRECT COSTS</b>		<u>\$ 833,457.46</u>

<sup>1</sup> Source: Office of the Governor - Statewide Full Cost Allocation Plan not available

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**TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY****SCHEDULE OF STATE-OWNED VEHICLES  
USED BY STATE EMPLOYEES – FY 2016**

This schedule applies to the use of the Texas State Board of Public Accountancy's 1999 Dodge Caravan. The total mileage used in FY 2016 was 752 miles.

<b>NAME</b>	<b>JOB TITLE</b>	<b>REASON FOR AUTHORIZATION</b>
Patrick Doré	Administrative Assistant III	Performance of job duties, which include making daily deposits, picking up printing, supplies, materials and equipment, and other duties as assigned.
Ismael Castillo	Executive Assistant II	Performance of job duties, which include delivering materials and staff to TSBPA swearing-in ceremonies.
María D. Lagunas	Staff Services Officer III	Performance of job duties as back up to deliver daily deposits.
Alan Hermanson	Dir. of Admin. Serv./CFO	Performance of job duties as back up to deliver daily deposits.
William Treacy	Executive Director	Performance of state business (no miles driven in FY 2016).

**TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY**

**SCHEDULE OF RECYCLED, REMANUFACTURED, AND  
ENVIRONMENTALLY SENSITIVE PURCHASES**

For the Fiscal Year Ended August 31, 2016

This schedule was repealed due to SB 59, 83<sup>rd</sup> Legislature, R.S., effective September 1, 2013.