

Texas State Board of Public Accountancy



Annual Report of Nonfinancial Data

For the Year Ended August 31, 2019



TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY
WILLIAM TREACY, EXECUTIVE DIRECTOR

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

512-305-7800
WWW.TSBPA.TEXAS.GOV

December 20, 2019

Honorable Greg Abbott, Governor
Honorable Dan Patrick, Lieutenant Governor
Honorable Dennis Bonnen, Speaker of the House
Lisa R. Collier, CPA, CFE, CIDA, First Assistant State Auditor
Sarah Keyton, Assistant Director, Legislative Budget Board
John McGeady, Assistant 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, 2019, 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 blue ink that reads "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

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY
Austin, Texas

ANNUAL REPORT OF NONFINANCIAL DATA

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TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY (457)

LIST 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, 2019.

EMPLOYED AS OF AUGUST 31, 2019

| | |
|----------------------|-------------------------------------|
| Bryce Beasley | Program Specialist I |
| Paulette Beiter | Attorney IV |
| Sandra Bradshaw | Program Specialist I |
| Josephine Briones | Legal Assistant I |
| Margaret Brys | Systems Analyst VI |
| Roel Cantu | Program Supervisor III |
| Ismael Castillo, Jr. | Executive Assistant II |
| Delia Castro | Program Specialist I |
| Jennifer Costilla | Program Specialist I |
| Patrick Doré | Administrative Assistant IV |
| Rhonda Fellner | Administrative Assistant III |
| J Franco | Program Specialist I |
| Jackie Frazier | Manager IV |
| Megan Gloetzner | Administrative Assistant III |
| Maria Graziani | Program Specialist I |
| Gilbert Gutierrez | Program Supervisor IV |
| Ann Hallam | Director I |
| Alan Hermanson | Dir. of Administrative Services/CFO |
| J. Randel Hill | General Counsel IV |
| Donna Hiller | Director II |
| Alexis Holliday | Legal Assistant II |
| Maria Lagunas | Staff Services Officer V |
| Kyle McGaw | Director I |
| John Moore | Attorney V |
| Kenny Pettitte | Program Specialist I |
| Julie Prien | Information Specialist III |
| Marisa Rios | Legal Assistant III |
| April Serrano | Program Supervisor IV |
| Margie Sheehan | Program Specialist I |
| Andrea Smith | Program Specialist I |
| Jon Smith | Systems Analyst V |
| Tina Smith | Program Specialist II |
| Gil Sosa-Riego | Accountant II |
| William Treacy | Executive Director |
| Cherylyn Turner | Program Specialist I |
| Daniel Weaver | Director I |
| Grace Wicke | Accountant III |

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

SCHEDULE OF SPACE OCCUPIED

For the Fiscal Year Ended August 31, 2019

| 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 ^A | William P. Hobby Jr. Building | | | | 10,672 | 37 | \$ 1.50 | \$16,008.00 | \$ 192,096.00 | See comment A below |
| | | | | | 10,672 | 37 | \$ 1.50 | \$16,008.00 | \$ 192,096.00 | |
| Free Space: | | | | | | | | | | |
| | | | | | 0 | | | | | |
| | | | | | 0 | | | | | |
| Leased or Rented Space: | | | | | | | | | | |
| Austin ^B | 4400 Shoal Creek Blvd. | Texas State Library and Archives Commission | | Storage | | | | | \$ 8,792.29 | See comment B below |
| Austin ^C | 900 Barton Springs Rd. | Austin Convention Center | | Palmer Events Center | | | | | \$ 7,950.00 | See comment C below |
| | | | | | 0 | N/A | \$ - | \$ - | \$ 16,742.29 | |

Section 2165.104, Government Code:

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

^A Actual Annual Cost:

| | |
|---|---------------|
| Rent accrued as of August 31, 2019 | \$ 67,990.00 |
| Rent portion of Statewide Cost Allocation Plan (SWCAP) paid to the Comptroller of Public Accounts | 124,106.00 |
| Total Rent Expenditure - FY 19 | \$ 192,096.00 |

^B 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.

^C The Texas State Board of Public Accountancy administered the Swearing-in Ceremony two times in 2019.

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, 2019

| <u>Name</u> | <u>Type of Service Rendered</u> | <u>Amount</u> |
|---|--|----------------------|
| Professional and Consulting Fees: | | |
| Fund 1009 | | |
| ALLIANCE WORK PARTNERS | WORKERS ASSISTANCE PROGRAM | \$ 927.71 |
| BELÉN BRIONES | TECHNICAL STANDARDS REVIEW SERVICES | 864.00 |
| BRIGHTLEAF GROUP | CONSULTANT - COMPUTER | 6,512.00 |
| CIMA SOLUTIONS GROUP, LTD | CONSULTANT - COMPUTER | 20,900.00 |
| HARPER & PEARSON CO., P.C. | TECHNICAL STANDARDS REVIEW SERVICES | 11,995.00 |
| IMAGENET CONSULTING | CONSULTANT - COMPUTER | 1,800.00 |
| PETER DELVECCHIA CPA, PLLC | TECHNICAL STANDARDS REVIEW SERVICES | 14,849.20 |
| RENAISSANCE SYSTEMS, INC. | CONSULTANT - COMPUTER | 27,747.00 |
| TEAGUE, MARQUESS & ASSOCIATES, P.C. | PEER REVIEW CONSULTANT | 1,400.00 |
| TEXAS WORKFORCE COMMISSION | PERSONNEL POLICIES AND PROCEDURES REVIEW | 840.00 |
| THOMAS & THOMAS, LLP | PEER REVIEW CONSULTANT | 13,048.90 |
| VINTAGE IT SERVICES | CONSULTANT - COMPUTER | 46,384.56 |
| WATERS, VOLLMERING & ASSOCIATES, LLP | PEER REVIEW CONSULTANT | 14,149.75 |
| Total Professional and Consulting Fees, page 3 | | \$ 161,418.12 |
| Legal Service Fees: | | |
| Fund 1009 | | |
| ALLEN, PINNIX & NICHOLS, P.A. | LEGAL SERVICES | \$ 1,320.00 |
| DUBOIS BRYANT & CAMPBELL, LLP | LEGAL SERVICES | 96,118.50 |
| LAW OFFICE OF MARY ALICE MCKAUGHAN | LEGAL SERVICES | 70,162.50 |
| OFFICE OF THE ATTORNEY GENERAL | LEGAL SERVICES | 6,356.21 |
| STATE OFFICE OF ADMINISTRATIVE HEARINGS | LEGAL SERVICES | 16,960.00 |
| THE DOVE FIRM PLLC | LEGAL SERVICES | 4,945.97 |
| Total Legal Service Fees, page 3 | | \$ 195,863.18 |

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY
SCHEDULE OF PROFESSIONAL, CONSULTING, AND LEGAL SERVICE FEES
For the Year Ended August 31, 2019

| <u>Name</u> | <u>Type of Service Rendered</u> | <u>Amount</u> |
|--|-------------------------------------|----------------------|
| Professional and Consulting Fees - Sponsor Review: | | |
| Fund 1009 | | |
| ALVA J. WINSTON, CPA | SPONSOR REVIEW PROGRAM-REVIEW | \$ 2,562.50 |
| CHARLES S. WRIGHT, CPA | SPONSOR REVIEW PROGRAM-REVIEW | 2,062.50 |
| CONNIE Z. KELLY, CPA | SPONSOR REVIEW PROGRAM-REVIEW | 2,531.25 |
| DAVID CRUMBAUGH, CPA | SPONSOR REVIEW PROGRAM-REVIEW | 1,750.00 |
| JOHN E. JONES, CPA | SPONSOR REVIEW PROGRAM-REVIEW | 2,562.50 |
| MITCHELL SUTHERLIN, PLLC | SPONSOR REVIEW PROGRAM-REVIEW | 3,600.00 |
| RONALD O. HUNTSMAN, CPA | SPONSOR REVIEW PROGRAM-REVIEW | 2,782.50 |
| TIMOTHY PREBE, CPA | SPONSOR REVIEW PROGRAM-REVIEW | 2,625.00 |
| TIMOTHY R. MADRIGAL, CPA | SPONSOR REVIEW PROGRAM-REVIEW | <u>2,468.75</u> |
| Total Professional and Consulting Fees - Sponsor Review, page 4 | | <u>\$ 22,945.00</u> |
| GRAND TOTAL PROFESSIONAL, CONSULTING, AND LEGAL SERVICE FEES | | <u>\$ 380,226.30</u> |

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

HUB STRATEGIC PLAN PROGRESS REPORT
For the Fiscal Year Ended August 31, 2019

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

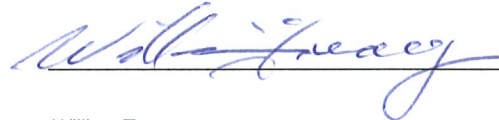
| Goal = Strategic Plan HUB Goal | Actual for FY 18 Reported by Comptroller | Actual for FY 19 Reported by Comptroller | Goal for FY 2020 |
|--|---|---|---------------------------|
| Actual = % Spent with HUBs from HUB Report | | | |
| Heavy construction other than building contracts | N/A | N/A | N/A |
| 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 | 0.00% | 10.00% |
| Other services contracts | 38.27% | 35.45% | 10.00% |
| Commodities contracts | 28.28% | 24.08% | 10.00% |

a Total FY 18 expenditures = \$3,992

Explanation for Actual Amounts:

The total agency expenditures with HUBs was 34.21% in FY 19. The statewide average was 12.77%.

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 INDIRECT COSTS

For the Fiscal Year Ended August 31, 2019

| a. Payroll-related Costs: | EXH. II GAAP Group | | |
|--|----------------------|----|----------------------|
| FICA Employer Matching Contribution | Payroll Related Cost | \$ | 198,422.62 |
| Group Health Insurance | Payroll Related Cost | | 511,074.04 |
| Retirement | Payroll Related Cost | | 210,074.06 |
| Unemployment | Payroll Related Cost | | 225.21 |
| FICA Employee Share Paid by State | Payroll Related Cost | | 0.00 |
| Total Payroll-related Costs | | | \$ 919,795.93 |
| | | | |
| Workers' Compensation and Benefit Replacement Pay (BRP): | | | |
| Workers' Compensation | Claims & Judgments | \$ | 0.00 |
| Benefit Replacement Pay | Salaries & Wages | | 7,047.71 |
| Total Workers' Compensation and BRP | | | \$ 7,047.71 |
| | | | |
| b. Indirect Costs (not reported on operating statements): | | | |
| Bond Debt Service Payments | | | |
| Texas Facilities Commission | N/A | \$ | 0.00 |
| TPFA | | | 0.00 |
| Other (if applicable) | | | 0.00 |
| Total Indirect Costs (not reported on operating statements) | | | \$ 0.00 |
| | | | |
| c. Indirect Costs - Statewide Full Cost Allocation Plan | | | |
| 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 |
| Adjustment to Statewide Cost Allocation Plan to Agree with Total | N/A | | 0.00 |
| Total Indirect Costs - Statewide Full Cost Allocation Plan ¹ | | | \$ 0.00 |
| | | | |
| TOTAL INDIRECT COSTS | | | \$ 926,843.64 |

¹ Source: Office of the Governor - Statewide Full Cost Allocation Plan not available

TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY**SCHEDULE OF STATE-OWNED VEHICLES
USED BY STATE EMPLOYEES – FY 2019**

This schedule applies to the use of the Texas State Board of Public Accountancy's 1999 Dodge Caravan. The total mileage used in FY 2019 was 689 miles.

| NAME | JOB TITLE | REASON FOR AUTHORIZATION |
|------------------|-----------------------------|---|
| Patrick Doré | Administrative Assistant IV | Performance of job duties, which include making daily deposits, picking up printing, supplies, materials and equipment, and other duties as assigned. |
| Maria D. Lagunas | Staff Services Officer V | 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 2019). |