

Commonwealth of Virginia



Virginia Board of Accountancy The Impact of the Aging of the Population

Report to the Governor and General Assembly

October 1, 2006



**COMMONWEALTH OF VIRGINIA
BOARD OF ACCOUNTANCY**

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October 1, 2006

The Honorable Timothy M. Kaine
Governor of Virginia
Patrick Henry Building, 3rd Floor
Richmond, Virginia 23219

The Honorable Bruce F. Jamerson
Clerk of the House of Delegates
Virginia House of Delegates
Patrick Henry Building, 2nd Floor
Richmond, Virginia 23219

The Honorable Susan Clarke Schaar
Clerk of the Senate
Senate of Virginia
Patrick Henry Building, 2nd Floor
Richmond, Virginia 23219

Dear Governor Kaine, Mr. Jamerson, and Ms. Schaar:

The Virginia Board of Accountancy (VBOA), an executive branch agency, is required to annually report on its progress on the impact of the aging of the population.

VBOA was established to protect citizens by setting standards for the accounting practices of Certified Public Accountants (CPA) and CPA firms. VBOA's focus on services to Senior Virginians focuses on two groups: (i) Senior Virginians licensed as CPAs, and (ii) Senior Virginians who will employ the services of a Virginia licensed CPA.

VBOA licenses more than 21,000 individuals and businesses in the Commonwealth. In 2006, approximately 419 CPAs are 65 years or older and maintain a current CPA license and may be delivering accounting services to Virginia's aging population. We know that most of the currently licensed CPAs in Virginia will continue to work well beyond the age of 65. All licensed CPAs must comply fully with VBOA's standards of practice regardless of age. Considering an anticipated dramatic increase in the number of CPAs who will work beyond the age of 65 during the next two decades, VBOA plans to conduct a study to determine what the impact on licensure may be and to act in a pro-active manner to address any issues. A study design will be reviewed at the VBOA's first meeting in 2007. Next, we will consider the Senior Virginians who may employ the services of a Virginia licensed CPA.

The Honorable Timothy M. Kaine
The Honorable Bruce F. Jamerson
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The U. S. Bureau of Census reported in the 2000 Census of Population Table that 43 percent of Virginia's households with a householder age 65 and over earned less than \$25,000 in 1999, while 15 percent of Virginia's older households earned more than \$75,000 per year. So, some 50% of Virginia's older households may employ the services of a Virginia licensed CPA or CPA firm.

Some of the services provided by CPAs and CPA firms that may be of particular interest to Senior Virginians include tax preparation, retirement and estate planning, small business management, cash management, personal financial planning, college funding, investing, risk management and business succession planning. CPAs also provide a wide variety of other services including compilation, audit and review.

VBOA's mandate is to protect all consumers, and focuses special efforts on fraud and discrimination against older more vulnerable Virginians. VBOA invites Senior Virginians to learn more about protecting themselves with the VBOA Brochure for Senior Virginians. In 2007, VBOA will work with organizations disseminating printed information to seniors to assist VBOA in distributing our brochure. VBOA also provides special assistance to seniors who wish to file a formal complaint against a CPA by calling the VBOA Hotline for Senior Virginians at (804) 367-0725 or by visiting VBOA online at www.boa.virginia.gov. For Senior Virginians who have difficulty communicating by e-mail, postal mail or telephone, VBOA will make arrangements to take the complaint, in person and at a location most convenient to the Senior Virginian filing the complaint.

VBOA is registered with SeniorNavigator.Com, the Virginia Association of Area Agencies on Aging, the AARP – Virginia, and the Virginia Society of CPAs. Additionally, we will provide an article on Tax Preparation Tips for Senior Virginians to these organizations in November 2006 to ready Senior Virginians for tax season.

Our VBOA Representative for Senior Virginians is Jean Grant and she provides specialized help to seniors and their caregivers. During 2007, Ms. Grant will work with VBOA staff and board members to develop enhancements to our delivery of services to Senior Virginians.

VBOA has the capacity at present to serve all interested Senior Virginians. During 2007, we will determine whether the demand for services in the future exceeds our current resources. VBOA appreciates the opportunity to assist in accomplishing the goals of the Virginia Department for the Aging (VDA) and its 25 local Area Agencies on Aging (AAAs), and toward that effort, will determine goals, objectives and measures to achieve the desired results in the VBOA Strategic Plan - FY08.

We trust this report and our recommendations are useful as we move forward together into the 2007 Session of the General Assembly. It has been our pleasure to advise you on VBOA's progress on the impact of the aging of the population.

Sincerely,

/s/ Nancy Taylor Feldman

Nancy Taylor Feldman, Executive Director

Copy to: Members, Virginia Board of Accountancy