

Program Endorsement Brief: 0502/Accounting
Advanced Bookkeeping Certificate; Cost Accounting Certificate; Entry-Level Accounting Certificate; Financial Accounting Certificate; Individual Taxation Certificate; Payroll Accounting Certificate; Small Business Bookkeeping Certificate
Orange County Center of Excellence, August 2019

Summary Analysis

The Orange County Center of Excellence for Labor Market Research (COE) prepared this report to provide Los Angeles/Orange County regional labor market supply and demand data related to five middle-skill accounting occupations: Tax Examiners and Collectors, and Revenue Agents (13-2081), Tax Preparers (12-2082), Bookkeeping, Accounting, and Auditing Clerks (43-3031), Payroll and Timekeeping Clerks (43-3051) and Brokerage Clerks (43-4011). Middle-skill occupations typically require some postsecondary education.¹ Tax Examiners and Collectors, and Revenue Agents typically require a bachelor's degree, but are considered middle-skill occupations because approximately one-third of workers in the field have completed some college or an associate degree. This report is intended to help determine whether there is demand in the local labor market that is not being met by the supply from community college programs that align with relevant occupations.

Based on the available data it appears that there is a supply gap for these middle-skill accounting occupations in the region. **Therefore, the COE endorses this proposed program for the following reasons:**

Demand:

- Over the next five years, there is projected to be **10,936 jobs available annually** in the region due to retirements and workers leaving the field, **which is more than the 2,072 awards conferred annually** by educational institutions throughout the region.

Supply:

- All **28 community colleges** in the region have accounting programs, conferring an average of **1,360 awards annually** between 2015 and 2018.
- Between 2013 and 2016, there were an average of **712 awards conferred annually** in related training programs by non-community college institutions. All of which were generated by **13 four-year colleges** throughout the region.

Occupational Demand

Exhibit 1, on the following page, shows the five-year occupational demand projections for these five middle-skill occupations related to accounting. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to decrease by 1% through 2023. However, due to

¹ The COE classifies middle-skill jobs as the following:

- All occupations that require an educational requirement of some college, associate degree or apprenticeship;
- All occupations that require a bachelor's degree, but also have more than one-third of their existing labor force with an educational attainment of some college or associate degree; or
- All occupations that require a high school diploma or equivalent or no formal education, but also require short- to long-term on-the-job training where multiple community colleges have existing programs.

retirements and workers leaving the field, there will still be nearly 11,000 job openings per year through 2023.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties²

Geography	2018 Jobs	2023 Jobs	2018-2023 Change	2018-2023 % Change	Annual Openings
Los Angeles	73,455	72,416	(1,039)	(1%)	7,941
Orange	26,881	27,215	334	1%	2,994
Total	100,336	99,631	(705)	(1%)	10,936

Wages—Typical entry-level hourly wages for middle-skill occupations related to accounting throughout the region are between \$17.02 and \$29.43.³ Typical entry-level wages for all five of the middle-skill accounting occupations in this report are higher than the California Family Needs Calculator hourly wages for one adult in the region (\$15.04 in Los Angeles County and \$17.36 in Orange County). Regional average wages are below the average statewide wage of \$23.22 for these occupations. Wage information, by county, is included in Appendix A.

Job Postings—There were 19,991 online middle-skill job postings related to accounting listed in the past 12 months. The majority of job postings were for: bookkeeper, accounting clerk, accounts payable clerk, accounts payable specialist, and payroll specialist. Top specialized skills were: accounting, accounts payable/receivable, bookkeeping, data entry, and payroll processing. The top three employers, by number of job postings, in the region were: H&R Block, Jackson Hewitt Tax Service and Marriott International. Of the 19,991 online job postings, 38% listed a minimum education requirement.

Educational Attainment—The Bureau of Labor Statistics (BLS) lists a high school diploma as the typical entry-level education required for brokerages clerks, payroll and timekeeping clerks, and tax preparers; some college/no degree for bookkeeping, accounting and auditing clerks; and a bachelor’s degree for tax examiners and collectors, and revenue agents. The national-level educational attainment data indicates that between 33.8% and 51.3% of workers in the field have completed some college or an associate degree. Of the 38% of job postings listing a minimum education requirement in Los Angeles/Orange County, 71% (5,399) requested a high school diploma or vocational training and 29% (2,207) requested an associate degree.

Supply

Community College Supply—Exhibit 2 shows the three-year average number of awards conferred by community colleges in the related TOP codes: Accounting (0502.00) and Tax Studies (0502.10). Over the past three years, East LA had the most completions in the region. Between June 2018 and May 2019, there were fifteen other related program recommendation requests from regional community colleges.

² Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

³ Entry-level wage is defined as the 25th percentile hourly wage. Wages for experienced workers are defined as the 75th percentile hourly wage.

Exhibit 2: Regional community college awards (certificates and degrees), 2015-2018

TOP Code	Program	College	2015-16 Awards	2016-17 Awards	2017-18 Awards	3-Year Award Average
0502.00	Accounting	Cerritos	31	25	26	27
		Citrus	4	16	20	13
		Coastline	87	63	43	64
		Compton	8	4	0	4
		Cypress	14	4	5	8
		East LA	268	346	397	337
		El Camino	16	15	8	13
		Fullerton	18	14	18	17
		Glendale	47	55	52	51
		Golden West	26	17	19	21
		Irvine	130	169	142	147
		LA City	9	17	16	14
		LA Harbor	4	8	4	5
		LA Mission	3	10	8	7
		LA Pierce	11	12	5	9
		LA Southwest	0	2	0	1
		LA Trade-Tech	27	25	26	26
		LA Valley	44	80	45	56
		Long Beach	34	27	36	32
		Mt San Antonio	65	103	114	94
		Orange Coast	30	22	112	55
		Pasadena	27	20	30	26
		Rio Hondo	6	11	17	11
		Saddleback	28	42	32	34
Santa Ana	164	95	86	115		
Santa Monica	83	52	169	101		
Santiago Canyon	3	6	55	21		
West LA	8	17	7	11		
Subtotal/Average			1,195	1,277	1,492	1,321
0502.10	Tax Studies	Glendale	3	0	0	1
		Irvine	13	16	9	13
		LA Pierce	13	32	16	20
		Saddleback	6	5	3	5
Subtotal/Average			35	53	28	39
Total/Average			1,230	1,330	1,520	1,360

Non-Community College Supply—Exhibit 3 shows the annual and three year average number of awards conferred by non-community college institutions, which in this case are all four-year colleges and universities, in two related Classification of Instructional Programs (CIP) Codes: Accounting (52.0301) and Accounting Technology/Technician and Bookkeeping (52.0302). Due to different data collection periods, the most recent three-year period of available data is 2013 to 2016. Between 2013 and 2016, four-year colleges conferred an average of 712 awards annually in related training programs.

Exhibit 3: Regional non-community college awards (certificates and degrees), 2013-2016

CIP Code	Program	College	2013-14 Awards	2014-15 Awards	2015-16 Awards	3-Year Award Average
52.0301	Accounting	Biola University	-	-	17	6
		California State University-Northridge	243	196	250	230
		Chapman University	39	54	53	49
		Claremont McKenna College	43	25	24	31
		Loyola Marymount University	57	60	59	59
		Pepperdine University	12	19	30	20
		Pitzer College	1	-	-	0
		Southern California Institute of Technology	2	1	-	1
		University of Phoenix-California	21	42	38	34
		University of Southern California	228	262	222	237
		Vanguard University of Southern California	2	8	6	5
		Woodbury University	23	22	27	24
Subtotal/Average			671	689	726	695
52.0302	Accounting Technology/Technician and Bookkeeping	InterCoast Colleges-Anaheim	6	12	4	7
		Southern California Institute of Technology	15	13	-	9
Subtotal/Average			21	25	4	17
Total/Average			692	714	730	712

Appendix A: Occupational demand and wage data by county

Exhibit 4. Los Angeles County

Occupation (SOC)	2018 Jobs	2023 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
Bookkeeping, Accounting, and Auditing Clerks (43-3031)	59,599	58,524	(1,075)	(2%)	6,559	\$16.83	\$21.15	\$26.65
Payroll and Timekeeping Clerks (43-3051)	5,932	5,858	(74)	(1%)	583	\$17.19	\$22.04	\$27.09
Tax Preparers (13-2082)	4,838	4,930	92	2%	526	\$18.72	\$23.90	\$31.70
Brokerage Clerks (43-4011)	1,746	1,747	1	0%	177	\$20.62	\$25.88	\$30.31
Tax Examiners and Collectors, and Revenue Agents (13-2081)	1,339	1,358	19	1%	97	\$28.73	\$38.05	\$49.58
Total	73,455	72,416	(1,039)	(1%)	7,941			

Exhibit 5. Orange County

Occupation (SOC)	2018 Jobs	2023 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
Bookkeeping, Accounting, and Auditing Clerks (43-3031)	21,182	21,323	141	1%	2,383	\$17.61	\$22.05	\$27.53
Payroll and Timekeeping Clerks (43-3051)	2,692	2,724	32	1%	274	\$20.36	\$25.40	\$29.39
Tax Preparers (13-2082)	2,072	2,181	109	5%	243	\$17.99	\$25.14	\$34.07
Brokerage Clerks (43-4011)	533	579	46	9%	65	\$22.19	\$26.39	\$31.41
Tax Examiners and Collectors, and Revenue Agents (13-2081)	402	409	7	2%	29	\$31.49	\$40.40	\$52.69
Total	26,881	27,215	334	1%	2,994			

Exhibit 6. Los Angeles and Orange Counties

Occupation (SOC)	2018 Jobs	2023 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 th Percentile)
Bookkeeping, Accounting, and Auditing Clerks (43-3031)	80,782	79,847	(935)	(1%)	8,942	\$17.02	\$21.39	\$26.91
Payroll and Timekeeping Clerks (43-3051)	8,624	8,581	(43)	(0%)	857	\$18.19	\$23.10	\$28.07
Tax Preparers (13-2082)	6,911	7,111	200	3%	769	\$18.52	\$24.19	\$32.68
Brokerage Clerks (43-4011)	2,279	2,325	46	2%	242	\$21.08	\$26.00	\$30.57
Tax Examiners and Collectors, and Revenue Agents (13-2081)	1,741	1,766	25	1%	126	\$29.43	\$38.62	\$50.32
Total	100,336	99,631	(705)	(1%)	10,936			

Appendix B: Sources

- O*NET Online
- Labor Insight/Jobs (Burning Glass)
- Economic Modeling Specialists, International (EMSI)
- Employment Development Department, Labor Market Information Division, OES
- Employment Development Department, Unemployment Insurance Dataset
- Integrated Postsecondary Education Data System (IPEDS)
- Living Insight Center for Community Economic Development
- California Community Colleges Chancellor's Office Management Information Systems (MIS)
- California Family Needs Calculator, Insight Center for Community Economic Development
- Chancellor's Office Curriculum Inventory (COCI 2.0)

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