

Program Endorsement Brief: 0502.00/Accounting
Accounting Clerical; Accounting – CPA Track Certificate
Los Angeles/Orange County Center of Excellence, September 2019

Summary Analysis

The Los Angeles/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 three middle-skill occupations: billing and posting clerks (43-3021), bookkeeping, accounting, and auditing clerks (43-3031), and payroll and timekeeping clerks (43-3051). Middle-skill occupations typically require some postsecondary education.¹ 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 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 **12,121 jobs available annually** in the region due to retirements and workers leaving the field, **which is more than the 1,338 awards conferred annually** by educational institutions in the region.

Supply:

- All **28 community colleges** in the region that have an accounting program, conferring an average of **1,321 awards annually** between 2015 and 2018.
- Between 2013 and 2016, there were an average of **17 awards conferred annually** in related training programs by **non-community college institutions in the region.**

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for middle-skill accounting occupations. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to decrease by less than 1% through 2023. However, there will be more than 12,100 job openings per year through 2023 due to retirements and workers leaving the field.

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.

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	79,920	79,166	(754)	(1%)	8,686
Orange	30,811	31,259	448	1%	3,435
Total	110,731	110,425	(306)	(0%)	12,121

Wages—Typical entry-level hourly wages for middle-skill accounting occupations throughout the region are between \$16.41 and \$18.65.³ Entry-level wages for these occupations are higher than the California Family Needs Calculator hourly wage for one adult in Los Angeles County (\$15.04). Entry-level wages for one of the three middle-skill accounting occupations (payroll and timekeeping clerks) is higher than the California Family Needs Calculator hourly wage for one adult in Orange County (\$17.36); wages for bookkeeping, accounting, and auditing clerks, and billing and posting clerks are below the hourly wage in Orange County. Experienced workers can expect to earn between \$24.83 and \$29.17, which is higher than the California Family Needs Calculator wage estimates for both counties. Wage information, by county, is included in Appendix A.

Job Postings—There were 20,354 online job postings related to the three middle-skill accounting occupations listed in the past 12 months. The highest number of job postings were for bookkeeper, accounting clerk, accounts payable clerk, accounts payable specialist, and payroll specialist. The top skills were: accounting, accounts payable/receivable, data entry, bookkeeping, and customer billing. The top three employers, by number of job postings, in the region were: Anthem Blue Cross, Marriott International, H&R Block, Hertz Corp., Anthem Blue Cross, CBRE, and East West Bank. Of the 20,354 online job postings, 37% list a minimum education requirement.

Educational Attainment—The Bureau of Labor Statistics (BLS) lists a high school diploma or equivalent as the typical entry-level education for billing and posting clerks; and payroll and timekeeping clerks; and some college/no degree for bookkeeping, accounting, and auditing clerks. The national-level educational attainment data indicates between 47% and 49% of workers in the field have completed some college or an associate degree. Of the 37% middle-skill accounting job postings listing a minimum education requirement in Los Angeles/Orange County, 68% (5,091) requested a high school diploma and 32% (2,389) requested an associate degree.

Supply

Community College Supply—Exhibit 2 shows the annual and three-year average number of awards conferred by community colleges in accounting (0502.00). The colleges with the most completions in the region are: East LA and Irvine Valley. Over the past 12 months, there were sixteen 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 twenty-fifth percentile hourly wage. Wages for experienced workers are defined as the seventy-fifth percentile hourly wage.

Exhibit 2: Regional community college awards, 2015-18

TOP Code	Program	College	2015-16 Awards	2016-17 Awards	2017-18 Awards	3-Yr Award Average
0502.00	Accounting	Cerritos	31	25	26	27
		Citrus	4	16	20	13
		Compton	8	4	-	6
		East LA	268	346	397	337
		El Camino	16	15	8	13
		Glendale	47	55	52	51
		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	-	2	-	2
		LA Trade	27	25	26	26
		LA Valley	44	80	45	56
		Long Beach	34	27	36	32
		Mt San Antonio	65	103	114	94
		Pasadena	27	20	30	26
		Rio Hondo	6	11	17	11
		Santa Monica	83	52	169	101
		West LA	8	17	7	11
		LA Total	695	845	980	840
		Coastline	87	63	43	64
		Cypress	14	4	5	8
		Fullerton	18	14	18	17
		Golden West	26	17	19	21
		Irvine Valley	130	169	142	147
		Orange Coast	30	22	112	55
		Saddleback	28	42	32	34
		Santa Ana	164	95	86	115
		Santiago Canyon	3	6	55	21
		OC Total	500	432	512	481
		Grand Total	1,195	1,277	1,492	1,321

Non-Community College Supply—Although these occupations typically do not require a bachelor’s degree, it is important to consider the supply from non-community college institutions in the region that provide training programs for middle-skill accounting occupations. Exhibit 3 shows the annual and three-year average number of awards conferred by these institutions in the related Classification of Instructional Programs (CIP) Code: 52.0302 - Accounting Technology/Technician and Bookkeeping. Due to different data collection periods, the most recent three-year period of available data is from 2013 to 2016. Between 2013 and 2016, non-community college institutions conferred an average of 17 awards.

Exhibit 3: Regional non-community college awards, 2013-2016

CIP Code	Program	College	2013-14 Awards	2014-15 Awards	2015-16 Awards	3-Year Award Average
52.0302	Accounting Technology/Technician and Bookkeeping	InterCoast Colleges-Anaheim	6	12	4	7
		Southern California Institute of Technology	15	13	-	9
Total/Average			21	25	4	17

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 (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 th Percentile)
Bookkeeping, Accounting, and Auditing Clerks (43-3031)	58,401	57,055	(1,346)	(2%)	6,405	\$17.10	\$22.19	\$27.62
Billing and Posting Clerks (43-3021)	15,605	16,304	699	4%	1,702	\$16.38	\$20.39	\$24.79
Payroll and Timekeeping Clerks (43-3051)	5,914	5,807	(107)	(2%)	579	\$18.79	\$24.20	\$29.37
Total	79,920	79,166	(754)	(1%)	8,686			

Exhibit 5. Orange County

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)	22,717	22,694	(23)	(0%)	2,523	\$17.04	\$22.10	\$27.49
Billing and Posting Clerks (43-3021)	5,863	6,304	441	8%	684	\$16.48	\$20.50	\$24.93
Payroll and Timekeeping Clerks (43-3051)	2,231	2,261	30	1%	228	\$18.33	\$23.60	\$28.64
Total	30,811	31,259	448	1%	3,435			

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)	81,118	79,749	(1,369)	(2%)	8,929	\$17.08	\$22.17	\$27.58
Billing and Posting Clerks (43-3021)	21,468	22,608	1,140	5%	2,385	\$16.41	\$20.42	\$24.83
Payroll and Timekeeping Clerks (43-3051)	8,145	8,067	(78)	(1%)	807	\$18.65	\$24.03	\$29.17
Total	110,731	110,425	(306)	(0%)	12,121			

Appendix B:

Sources

- O*NET Online
- Labor Insight/Jobs (Burning Glass)
- Economic Modeling Specialists, International (EMSI)
- Bureau of Labor Statistics (BLS)
- Employment Development Department, Labor Market Information Division, OES
- Employment Development Department, Unemployment Insurance Dataset
- 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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