



Program Endorsement Brief:

College of the Redwoods: Accounting Technology/Technicians and Bookkeeping
North/Far North Center of Excellence, March 2019

INTRODUCTION

College of the Redwoods is considering converting an existing Certificate of Recognition in Bookkeeping to a Certificate of Achievement in Accounting Technology/Technicians and Bookkeeping that aligns more closely to local industry needs. This potential program modification is in response to feedback and suggestions from local Community Advisory Committee members. This report provides an overview of the labor market demand and supply for related accounting occupations in the Far North region and the sub-region comprising Del Norte, Humboldt, Mendocino, and Trinity counties. The Centers of Excellence produced a report for Folsom Lake College in October, 2018 which presents data for this occupation for the Greater Sacramento region and California.

Key findings include:

- Bookkeeping, accounting, and auditing clerks occupational employment has declined over the last ten years.
- Projected occupational growth is flat for both regions.
- Projections for annual openings total 179 for the 4-county sub-region and 543 for the Far North.
- Just under one-third of workers have a high school education or less. Nearly 50 percent have some college or an Associate degree.
- Five colleges confer an annual average of nearly 50 certificates and 50 Associate degrees (2015 through 2018 average).

Findings in this report were determined using labor market data from EMSI and Burning Glass. Education supply data is sourced from the Community College Chancellor's Office MIS via Datamart and Launchboard.

This report contains the following sections:

- Occupational demand
- Wages and job postings
- Educational attainment and supply, and
- Findings and recommendations

OCCUPATIONAL DEMAND

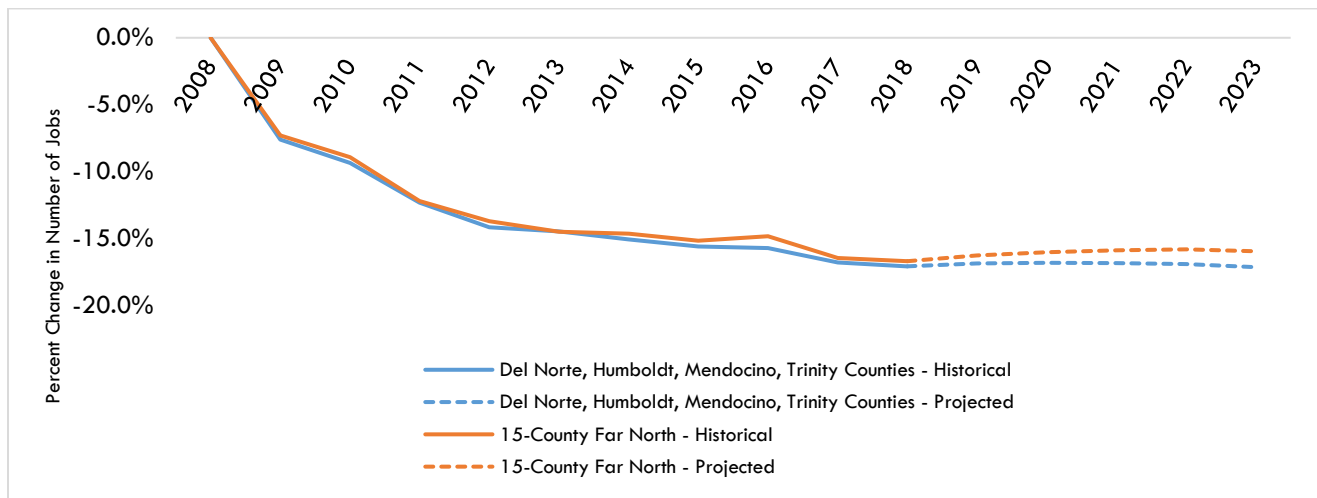
This report analyzes Bookkeeping, Accounting, and Auditing Clerks (SOC code 43-3031) in relation to the proposed program. Exhibit 1 summarizes job trends of the studied occupation in the sub-region comprising Del Norte, Humboldt, Mendocino, and Trinity-counties and the 15-county Far North region.

Exhibit 1: Employment and projected occupational demand¹

Geography	2008 Jobs	2018 Jobs	2023 Jobs	2018-23 Jobs % Change	Annual Openings
Del Norte, Humboldt, Mendocino, and Trinity counties	1,817	1,507	1,506	0.1%	179
15- County Far North Region	5,385	4,487	4,526	0.9%	543

Exhibit 2 shows the percentage change in number of jobs between 2008 through 2018 and occupational projections from 2018 through 2023. The rate of change is indexed to the total number of jobs in 2008 as the base year and compares the 4-county sub-region and the 15-county Far North region.

Exhibit 2: Rate of change for selected occupations²



WAGES AND JOB POSTINGS

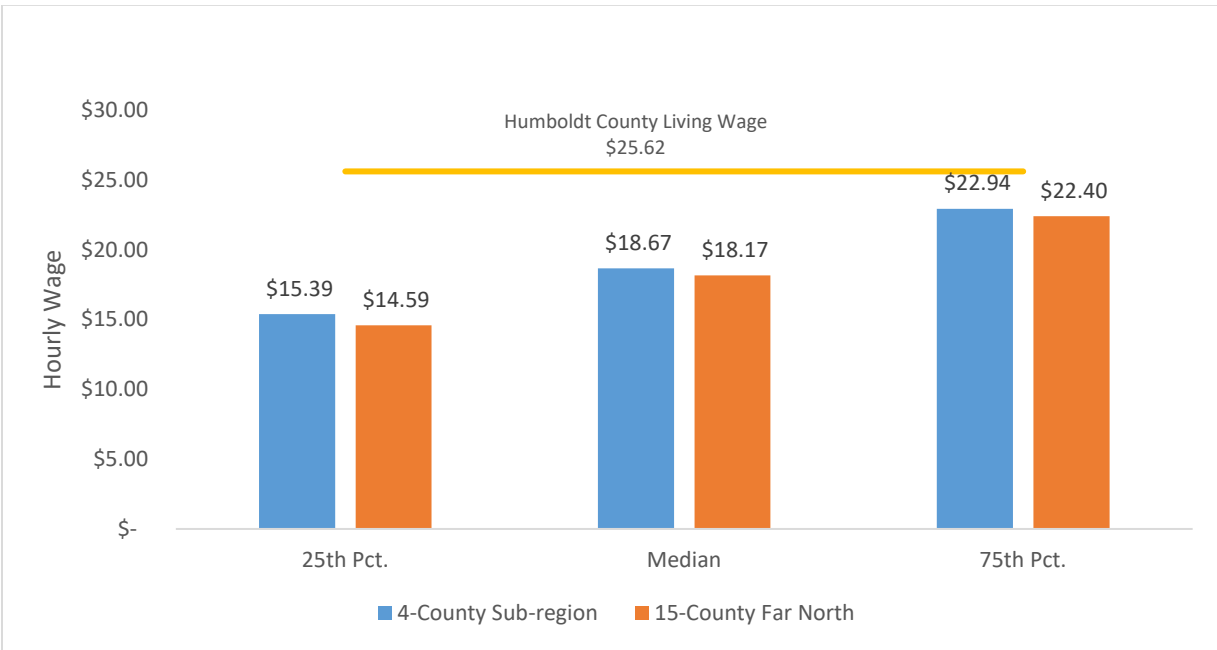
Exhibit 3 displays hourly wages for the occupation in the 4-county sub-region and the Far North region compared to the Humboldt County living wage for a one-adult, one-child household.³ Wages for this occupation are slightly higher in the 4-county sub-region than in the Far North region, though wages in both areas are below living wage.

¹ Emsi 2019.1; QCEW Employees, Non-QCEW Employees and Self-Employed. The fifteen-county Far North region includes Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Plumas, Shasta, Sierra, Siskiyou, Tehama and Trinity.

² Ibid.

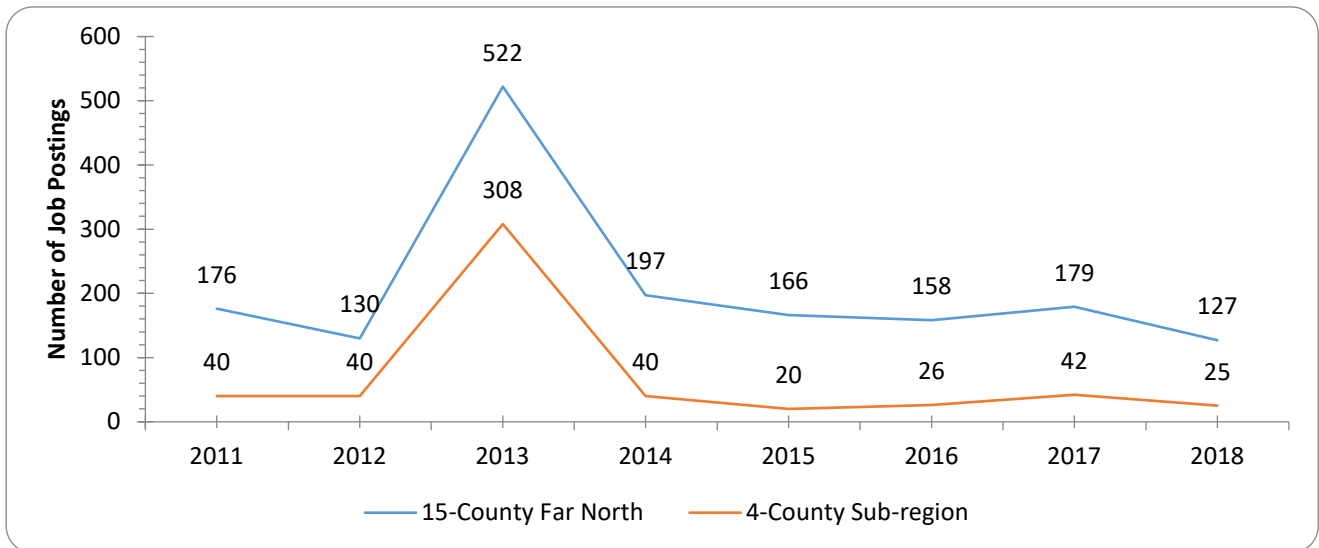
³ Living Wage Calculator: Counties and Metropolitan Statistical Areas in California, <http://livingwage.mit.edu/states/06/locations>.

Exhibit 3: Wages for selected occupation⁴



Burning Glass data for job postings for the representative SOC code identified a pool of 131 listings in the Far North region during the past year. Exhibit 4 shows job posting trends since 2011 for this occupation for each region.

Exhibit 4. Job posting trends for selected occupation⁵



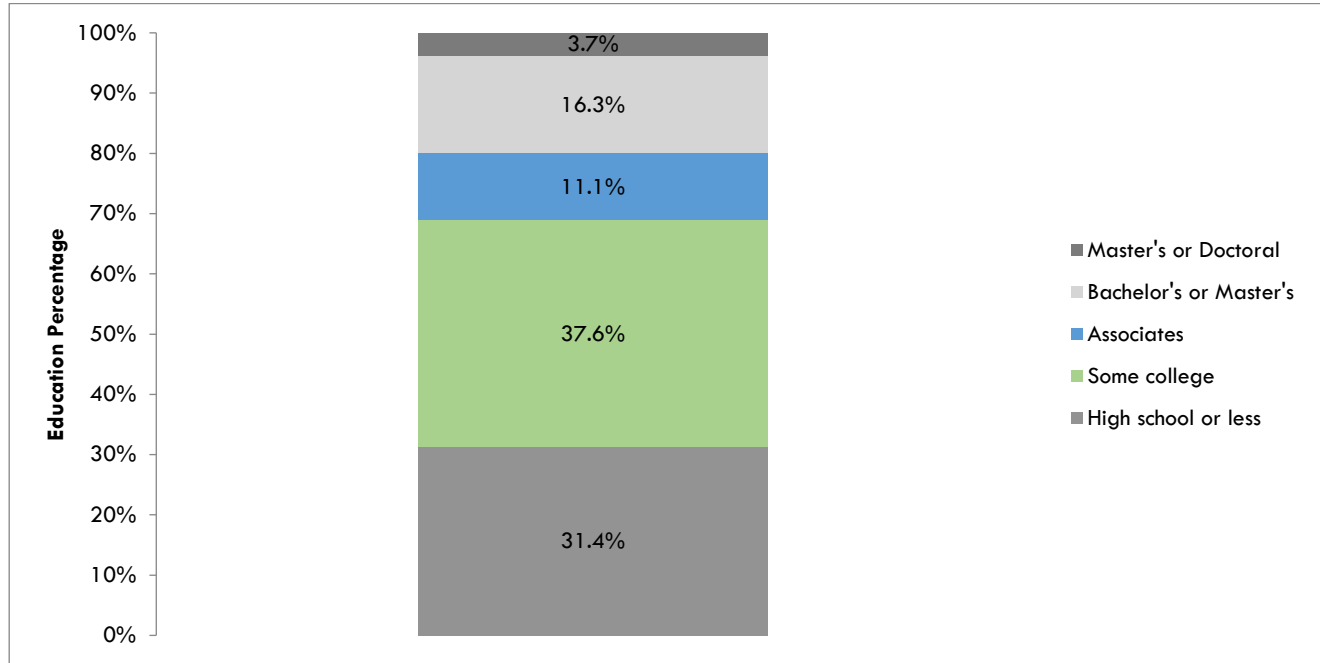
⁴ Emsi 2019.1.

⁵ Burning Glass.

EDUCATIONAL ATTAINMENT AND SUPPLY

At the national level, bookkeeping, accounting, and auditing clerks are not required to have advanced education for an entry-level position. Exhibit 6 shows educational attainment percentages of workers in this occupation. Typical entry-level education level is some college, no degree.

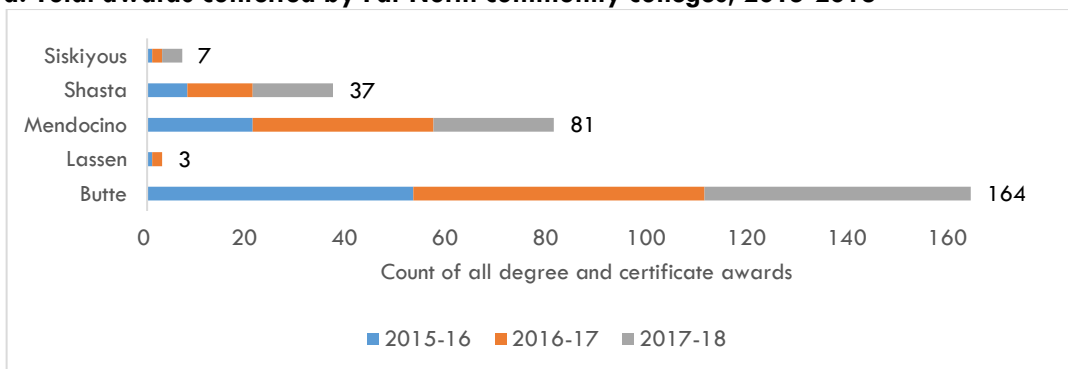
Exhibit 6. Typical educational attainment for selected occupation nationally⁶



To estimate supply, this study used the Taxonomy of Programs (TOP) code Accounting (0502.00). There are 5 schools in the Far North region that awarded certificates or associate degrees related to this TOP code during the previous three years.

Exhibits 7a and 7b show the number of awards conferred by Far North community colleges during the past three academic years.

Exhibit 7a: Total awards conferred by Far North community colleges, 2015-2018⁷



⁶ Current Population Survey, Educational Attainment for Workers 25 Years and Older by Detailed Occupation, 2016-17, https://www.bls.gov/emp/ep_table_111.htm.

⁷ California Community Colleges Chancellor's Office Data Mart, 3/12/19.

Exhibit 7b: Annual awards conferred by Far North community colleges, 2015-2018⁸

	Certificate				Associate Degree			
	2015-16	2016-17	2017-18	3-Yr Avg	2015-16	2016-17	2017-18	3-Yr Avg
Butte	33	38	33	35	20	20	20	20
Lassen	0	0	0	0	1	2	0	1
Mendocino	2	11	3	5	19	25	21	22
Shasta	3	9	10	7	5	4	6	5
Siskiyou	0	0	0	0	1	2	4	2
Total	38	58	46	47	46	53	51	50

⁸ Ibid.

RECOMMENDATION

Please refer to the Program Endorsement Brief prepared by COE for Folsom Lake College for additional information about this occupation and related award data. The recommendations from that report appear below⁹:

- **Wage levels and employment declines pose concerns for program development.** The wage data and significant decline in the occupational employment in the last ten years pose significant concerns for training accountants and bookkeepers at a below bachelor's degree level. Nonetheless, the openings projections suggest there will be job availability. It is important to note that much of this activity will be due to retirements and separations, not occupational growth. Wage levels are below living wage standards for the threshold level chosen.
- **Transfer pathways to business-related bachelor's degrees merits emphasis.** Further research can explore the utility of accounting-related education for transfer pathways, including business degrees in non-accounting majors, that may yield higher wages. This brief research indicates that there will be more value in accounting training that leads to bachelor's-level degrees in accounting and other business degrees, not in training middle skill accountants.
- **The research did not show that SAP accounting software represents a pressing concern for training.** The jobs postings data did not show a windfall for positions calling for SAP accounting software. The postings suggest that Quickbooks and MS Office are more important skills.

COE Recommendation	
<input checked="" type="checkbox"/>	Move forward with program
<input type="checkbox"/>	Program is not recommended
<input type="checkbox"/>	Additional information needed

⁹ <http://www.coecc.net>

APPENDIX A: SOURCES

Sources used for data analysis purposes in this report include:

- U.S. Department of Labor/Employment and Training Administration (DOLETA) O*NET Online
- Burning Glass, Labor Insight/Jobs
- Economic Modeling Specialists, International (EMSI)
- California Employment Development Department, Labor Market Information Division (EDD, LMID)
- California Community Colleges Chancellor's Office Management Information Systems (MIS Datamart)
- California Community Colleges Chancellor's Office, Cal-PASS Plus LaunchBoard

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