

Accountants and Auditors

A profile of jobs and wages in Alaska

Financial crisis, recession, “fiscal cliff” — these terms have worked their way into our daily language over the past few years. As a result, many average Americans may have begun to appreciate the importance of accurate and precise financial records and reporting.

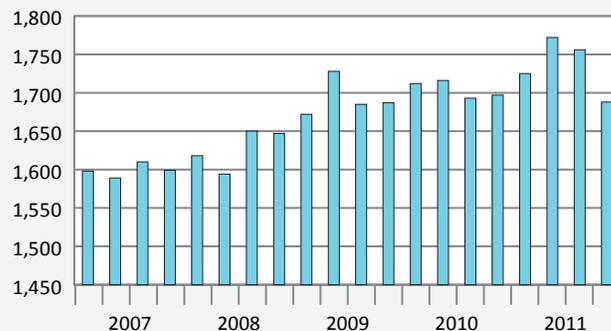
Those things are business as usual for an accountant or auditor, whose job is to maintain, prepare, interpret, and analyze financial documents and information. Their role is likely to become even more significant with changing regulations, a growing cry for fiscal transparency, and increasingly complex economic systems on the state, national, and global levels.

Job can be internal or external

The occupation “accountants and auditors” encompasses a variety of jobs and specializations, adding diversity to this field within the world of financial specialists. Job duties vary greatly depending on

2 Workers by Quarter

Alaska accountants and auditors, 2007–11



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

the organization or industry. While all accountants and auditors work with financial information, some do it strictly for internal use such as ensuring funds aren’t misallocated. Others focus just on taxes — either for individuals, businesses, or from within the government — to regulate and audit those who are expected to pay. Still others specialize in legal issues such as fraud and embezzlement.

External auditors are perhaps the most well-known within this occupation. External auditors usually review the financial information of an outside organization for accuracy and misrepresentation. Determining whether the organization is complying with laws and regulations is the basis of their work.

Work requires more education

Formal academic study is important in this field, as nearly all jobs in this occupation require a bachelor’s degree in accounting or a related field such as finance. Though higher-level degrees are not usually necessary, certifications and licenses for certain specialties can provide an edge when competing for jobs.

1 Financial Specialists’ Jobs and Wages

Alaska, 2011

Occupation	Number of Workers	Median Wage
Accountants and Auditors	1,930	\$53,046
Financial Specialists, All Other	517	\$43,118
Loan Officers	469	\$52,098
Financial Analysts	333	\$76,325
Tax Preparers	232	\$8,061
Appraisers and Assessors of Real Estate	167	\$56,582
Budget Analysts	164	\$62,821
Personal Financial Advisors	157	\$94,948
Insurance Underwriters	151	\$47,459
Financial Examiners	45	\$52,148
Tax Examiners and Collectors, and Revenue Agents	37	\$38,916
Credit Analysts	21	\$44,786
Credit Counselors	9	\$54,244

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Most workers in the accounting and auditing field become certified public accountants, and in Alaska, 1,319 people have CPA licenses. In addition to a bachelor's degree and passing a four-part national exam, this license requires work experience. As accountants and auditors gain this experience and specialize, they can move into positions with higher responsibility.

Representation in Alaska

Of the 13 occupations in the larger financial specialist category, accountants and auditors are the state's largest by far, with 1,930 employed in 2011. The next-highest job numbers were in the "all other" category (517), followed by loan officers at 469 and financial analysts at 333. (See Exhibit 1.)

Worker numbers have increased by 9.2 percent over the past five years, from 1,768 accountants and auditors in 2007 to 1,931 in 2011. In 2011, they earned a total of \$108 million in wages.

While the total number of workers for each year has increased steadily, the gains were not uniform throughout the year. Though working as an accountant or auditor is generally a year-round, full-time job, more people worked in the second or third quarter in the past five years. (See Exhibit 2.) This may coincide with the fiscal year in most organizations, the peak time of year for many of Alaska's seasonal industries, or with recent college graduates obtaining entry-level jobs in the field.

Portable skills

Though many people end up specializing, their expertise can easily transfer anywhere there's a financial or monetary system. The skills needed to be successful in this field apply to most industries.

The top industries for jobs in this field in 2011 were public administration (490) and professional, scientific, and technical services (489). These were followed by finance and insurance, and health care and social assistance. These four industries have been the top employers in the past five years, though not always in this order. (See Exhibit 3.)

Specialization and high earnings

Accountants and auditors who have specialized industry knowledge, such as health care or min-

3 Workers and Wages by Industry

Alaska accountants and auditors, 2011

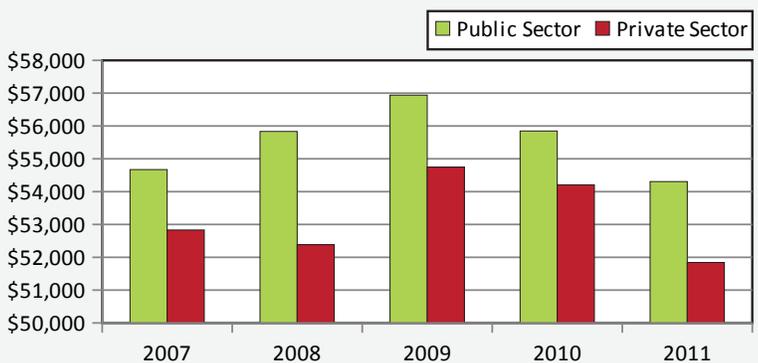
Industry	Number of Workers	Median Earnings	Total Earnings
Public Administration	490	\$54,294	\$25,705,147
Professional, Scientific and Tech Services	489	\$48,477	\$25,034,725
Finance and Insurance	162	\$54,843	\$10,280,289
Health Care and Social Assistance	147	\$48,062	\$7,513,109
Educational Services	88	\$53,930	\$4,552,824
Information	63	\$63,370	\$4,373,392
Administrative Support/Waste Management and Remediation	61	\$57,709	\$3,639,185
Mining	59	\$91,050	\$5,753,886
Construction	55	\$53,341	\$2,968,804
Real Estate and Rental and Leasing	54	\$51,853	\$3,018,388
Transportation and Warehousing	48	\$61,598	\$3,437,059
Utilities	38	\$63,367	\$2,392,485
Manufacturing	37	\$50,624	\$1,867,281
Retail Trade	37	\$47,728	\$2,425,550
Accommodation and Food Services	35	\$36,324	\$1,362,458
Management of Companies and Enterprises	31	\$51,424	\$1,851,700
Other Services	22	\$43,613	\$982,266
Wholesale Trade	10	\$66,749	\$610,275
Arts, Entertainment and Recreation	3	N/D	N/D
Agriculture, Forestry, Fishing and Hunting	2	N/D	N/D

N/D = Not disclosable

Source: Alaska Department of Labor and Workforce Development, Research & Analysis

4 Public vs. Private Sector Wages

Alaska accountants and auditors, 2007 to 2011



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

ing, generally earn more than those in a more traditional or less specialized accountant or auditor position. However, median earnings are much more equal between the public and private sectors. In 2011, median earnings among 611 public sector accountants and auditors were \$54,305, whereas their 1,320 private sector counterparts earned \$51,841. (See Exhibit 4.)

5 Workers and Earnings by Residency

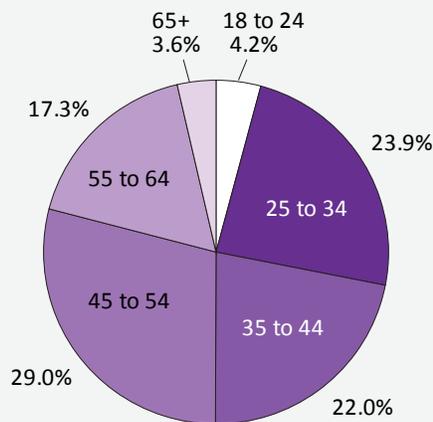
Alaska accountants and auditors, 2007 to 2011

Year	Nonresident Workers	Nonresident Median Earnings	Nonresident Total Earnings	Resident Workers	Resident Median Earnings	Resident Total Earnings
2007	126	\$22,806	\$4,147,165	1,642	\$54,850	\$95,256,057
2008	138	\$19,892	\$4,004,168	1,647	\$55,530	\$96,666,158
2009	147	\$23,419	\$4,677,377	1,697	\$57,020	\$102,407,810
2010	138	\$25,448	\$5,290,950	1,730	\$56,437	\$103,120,836
2011	177	\$16,700	\$5,241,128	1,754	\$54,858	\$102,759,809

Source: Alaska Department of Labor and Workforce Development, Research & Analysis

6 Mostly Middle-Aged

Accountants and auditors, 2011



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Most are residents

Over 90 percent of accountants and auditors working in Alaska over the past five years were considered residents. In 2011, only 9.2 percent of accountants and auditors were nonresidents, and they earned just 5.1 percent of all occupational wages. Nonresidents also had much lower median annual earnings, at \$16,700 in 2011 compared to \$54,858 for residents.

Like many occupations with higher education and experience requirements, the largest percentage of accountants and auditors are likely to be between the ages of 45 and 54, with more than half of the resident workers falling between the ages of 35 and 54. Younger workers, those ages 18 to 34, made up 28.1 percent and workers age 55 and older represented 21 percent. (See Exhibit 6.)

About these numbers

Worker numbers and income data used for this article are from the Occupational Database, which contains occupation and place of work information on each Alaska wage and salary worker covered by unemployment insurance. Resident information is based on matching data from Alaska Permanent Fund dividend applications to ODB data.

The Alaska Department of Labor and Workforce Development wage file

includes only those workers covered by Alaska unemployment insurance. Therefore, information wasn't available for self-employed workers or federal employees. The data set for this report consists of an unduplicated collection of wage records. In cases where workers had more than one job, their employment and total wages were assigned to the industry, employer, occupation, and area where they earned the majority of their wages in that year. All wages are adjusted for inflation and reported in 2011 dollars.