

**STATE OF SOUTH DAKOTA
DEPARTMENT OF LABOR AND REGULATION
BOARD OF ACCOUNTANCY**

IN THE MATTER OF:

**John Kippley,
Licensee.**

License No. SD PA 1361

**FINDINGS OF FACT,
CONCLUSIONS OF LAW,
AND DECISION**

Case No. 123-25

An administrative hearing was held by video conference before the Board of Accountancy (Board) on August 13, 2025. Board Chair Deidre Budahl presided over the hearing. Jennifer Doubleddee, Special Assistant Attorney General, appeared and prosecuted the matter. Nicole Kasin, Executive Director, appeared and testified as a witness for the Board office.

Based on the evidence presented at the hearing, the Board makes the following:

FINDINGS OF FACT

1. John Kippley (Kippley) is a public accountant (PA) with the Board. Kippley has been licensed since October 25, 1983.
2. As a licensee of the Board, Kippley is required to report his continuing professional education (CPE) hours to the Board in the manner required by SDCL Ch. 36-20B and ARSD Ch. 20:75:03.
3. Kippley reported 120.2 hours for the three-year audit period commencing July 1, 2021 through June 30, 2024 detailed as follows:
 - a. For the period commencing July 1, 2021 through June 30, 2022, Kippley reported 48.2 CPE hours.
 - b. For the period commencing July 1, 2022 through June 30, 2023, Kippley reported 20 CPE hours.
 - c. For the period commencing July 1, 2023 through June 30, 2024, Kippley reported 52 CPE hours.
4. On September 16, 2024, the Board office mailed a letter to Kippley stating he was selected for a CPE audit for the three-year period commencing July 1, 2021 through June 30, 2024. The letter further stated that the deadline to submit documentation was October 31, 2024.

5. No response was received by the Board office by October 31, 2024.
6. On November 6, 2024, the Board office filed Complaint Case 107-25 against Kippley based upon his failure to respond to the CPE audit letter. A response was due by December 9, 2024.
7. Kippley submitted CPE documentation to the Board office via mail on November 18, 2024.
8. On November 25, 2024, Kippley emailed “after looking through our file again we believe we have sent you everything you need for your audit.”
9. On December 2, 2024, the Board’s Executive Director imposed an administrative fine to Kippley for failure to provide documentation verifying his attendance or completion of all CPE courses reported to the Board within the required timeline (by October 31, 2024) in violation of ARSD 20:75:04:11 and was subject to discipline pursuant to SDCL 36-20B-40 (3) and (6). Kippley submitted payment for the fine on December 17, 2024.
10. Board office staff emailed Kippley on January 2, 2025, detailing adjustments for claimed CPE hours and requesting for documentation by January 10, 2025, to verify the following claimed CPE credits:
 - a. 32.2 hours for period ending June 30, 2022;
 - b. 4 hours for period ending June 30, 2023;
 - c. 16 hours for period ending June 30, 2024;
11. Kippley emailed Board office staff on January 6, 2025, with a follow-up question and then stated, “we’re working on getting the other info you have requested.” Board office staff responded clarifying what its rules require.
12. On January 6, 2024, Kippley emailed Board office staff partial CPE documentation and stated, “we are waiting to hear back from the other course providers.”
13. No additional documentation was submitted by Kippley by the deadline.
14. On February 21, 2025, the Board office emailed Kippley a written complaint against him for failing to provide the requested documentation. The complaint requested a response by March 21, 2025.
15. The Board office did not receive a response or any additional CPE documentation from Kippley by March 21, 2025.
16. Since the Board office did not receive any additional CPE documentation from Kippley, it determined that Kippley had provided satisfactory documentation of the following:

- a. 16 CPE hours for the reporting year ending June 30, 2022;
 - b. 16 CPE hours for the reporting year ending June 30, 2023;
 - c. 34 CPE hours for the reporting year ending June 30, 2024.
17. On February 21, 2025, the Board's executive director issued a letter outlining the Board office's audit findings, which showed that Kippley was short 54 CPE hours for the audit period.
 18. On April 7, 2025, the Board attorney mailed and emailed a Formal Complaint in Case No. 123-25 against Kippley and requested a response from Kippley before April 25, 2025. An Amended Formal Complaint was mailed and emailed to Kippley on April 8, 2025 with a requested April 29, 2025 response date.
 19. Kippley did not respond to the Formal Complaint or submit any CPE credit documentation to the Board office before the April 29, 2025 deadline.
 20. On May 6, 2025, the Board attorney sent Kippley a Notice of Hearing that advised a hearing on the matter was scheduled for June 11, 2025 at 10:00 am.
 21. Kippley emailed the Board attorney on May 29, 2025, to advise that he would be out of the country until July 7, 2025.
 22. Based on Kippley's unavailability, the Board attorney sent an Amended Notice of Hearing advising the matter was rescheduled for August 13, 2025 at 8:30 am Central Daylight Time.
 23. On August 12, 2025, at 4:30 pm Central Daylight Time, Kippley emailed the Board Attorney that he had a conflict and would not be able to attend the hearing.
 24. At the beginning of the hearing, the Board's attorney advised the Board of Kippley's late notice that he would not be able to attend. The Board attorney further advised that Kippley did not request the hearing be rescheduled, and the hearing had already been rescheduled once. The Board attorney further advised the Board that pursuant to SDCL 36-1C-10, that the hearing may proceed without the Kippley. The Board decided to proceed without Kippley.
 25. Despite Kippley's representations that he was not practicing public accountancy, evidence presented at the hearing showed that Kippley had listed himself as President, Vice-President, Treasurer, and Secretary of Kippley Accounting, Inc. to the Secretary of State for the 2024 reporting year. Kippley also reported himself as Permit Holder in Charge on the renewal application for Kippley Accounting, Inc. for the year ending July 31, 2025.

CONCLUSIONS OF LAW

1. The South Dakota Department of Labor and Regulation, Board of Accountancy (Board) has jurisdiction over this matter pursuant to SDCL Chapter 36-20B and 36-1C.
2. SDCL 36-20B-27 requires in part that “a licensee shall participate in a program of learning designed to maintain professional competency. The program of learning shall comply with rules, promulgated by the board pursuant to chapter 1-26. A licensee shall complete one hundred twenty hours of continuing education in each three-year renewal period.”
3. SDCL 36-1C-3 provides a licensee 20 business days to respond to a written complaint and states that “Failure to respond to the complaint is grounds for disciplinary action.”
4. SDCL 36-1C-8 requires a licensee to respond to a formal complaint within 20 calendar days.
5. SDCL 36-20B-40(3) authorizes the Board to impose discipline upon a licensee for failure to maintain compliance with the requirements for issuance or renewal of such license.
6. SDCL 36-20B-40(6) authorizes the Board to impose discipline upon a licensee for a violation “of any provision of this chapter or rule, promulgated by the board pursuant to chapter 1-26, or violation of professional standards.”
7. ARSD 20:75:04:11 requires Board licensees to submit verification of their continuing professional education (CPE) credits claimed during a reporting period, which includes cooperating with random audits.
8. ARSD 20:75:04:15 details acceptable evidence to receive continuing professional education credit.

Based on the above conclusions of law, the Board makes the following:

DECISION

1. Kippley’s license is suspended from the date of this decision until he provides proof of 54 hours of continuing education to return to compliance
2. The Board staff is authorized to allocate hours and grant extensions for CPE credit consistent with Board policy.
3. Once reinstated, Kippley will not be allowed any CPE extensions for the next three years.

4. Kippley will pay a \$1,000 fine to the Board office within 30 days of this decision.
5. Kippley will pay the costs for the proceeding within 30 days of this decision.
6. Kippley will be publicly reprimanded.

Dated the 4 day of September 2025.

Dei Budahl

Deidre Budahl
Board Chair

NOTICE: This is the final decision in this matter unless you appeal. You may appeal directly to circuit court within 30 days after the date of this decision. SDCL 36-20B-50 and 1-26-31.