

Meeting Agenda
SOUTH DAKOTA BOARD OF ACCOUNTANCY
Zoom Meeting – Conference Call

<https://state-sd.zoom.us/j/7292571422?pwd=N2VaME9RSEZ1bHN6ZmxXZmpybGZhQT09>
or Call +1-346-248-7799 Meeting ID:729 257 1422 Passcode: 957016
September 28, 8:30 a.m. (CDT)

A=Action
D=Discussion
I=Information

A. Call to Order.....	Budahl
B. Public Comment.....	Oratory
C. A-Approval of Minutes of Meeting August 18, 2021.....	2-3
D. A-Approval of Certificates.....	4
E. A-Approval of Financial Statements through August 2021.....	5-15
F. A-Violation of Board Order.....	16-23
G. A-Report to Board on 2 nd Request for CPE Extension.....	24
H. D-Executive Director's Report.....	25

EXECUTIVE SESSION

I. Equivalent Reviews, Follow-up, PROC initiative/contract and Enforcement Cases for Board Approval.....	Spt. Pkt.
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FUTURE MEETING DATES (all times CT)

- J. Meeting Dates
October 27, 2021 – 8:30 Zoom Meeting
December 1, 2021 – 9:00 Zoom Meeting
- K. Adjournment

Meeting Minutes
SOUTH DAKOTA BOARD OF ACCOUNTANCY
Eide Bailly, LLP, 3rd Floor Executive Board Room, Sioux Falls
August 18, 2021 8:30 a.m. CDT

Chair Deidre Budahl called the meeting to order at 8:38 a.m. A quorum was present.

Members Present: Jay Tolsma, Russell Olson, David Pummel, Jeff Smith, Jeff Strand, and Deidre Budahl.

Others Present: Nicole Kasin, Executive Director; Julie Iverson, Sr. Secretary; Trista Burke, Secretary; and Graham Oey, Staff Attorney

David Pummel made a motion to approve the agenda. Jeff Strand seconded the motion. **MOTION PASSED.**

The Chair opened the floor for public comment. No comments were received.

David Pummel made a motion to approve the election of board officers as follows: Deidre Budahl – Chair, Jeff Strand - Vice Chair, and Jeff Smith Secretary/Treasurer. Russell Olson seconded the motion. **MOTION PASSED.**

Jeff Strand made a motion to approve the July 15, 2021 meeting minutes. Jeff Smith seconded the motion. **MOTION PASSED.**

David Pummel made a motion to approve the issuance of certificates and firm permits through August 12, 2021. Jeff Strand seconded the motion. **MOTION PASSED.**

Jay Tolsma made a motion to approve the financial statements through July 2021. Russell Olson seconded the motion. **MOTION PASSED.**

Jeff Strand made a motion to approve travel for up to four board members and the executive director to attend NASBA's annual meeting in San Diego, CA October 31 – November 3, 2021. David Pummel seconded the motion. **MOTION PASSED.**

The Board reviewed the report on the CPA exam grades for the 69th Window.

Russell Olson made a motion to ratify the CPA exam scores for the 69th window through June 2021. Jeff Strand seconded the motion. **MOTION PASSED.**

The Board discussed a request from an exam candidate for a grade extension. David Pummel made a motion to deny a candidate's request for a grade extension for failing to meet the requirements of ARSD 20:75:01:07. Jeff Strand seconded the motion. **MOTION PASSED.**

The Board discussed a request from Lesa Hommes for reinstatement of her relinquished SD license.

Jeff Strand made a motion to approve the reinstatement of Lesa Hommes. Ms. Hommes must meet the requirements and apply in an active status. Jay Tolsma seconded the motion. **MOTION PASSED.**

The discussion on possible disciplinary action for Lesa Hommes was tabled to the September 28, 2021 board meeting.

Executive Director Kasin discussed her report with an update on individual and firm renewals, CPE extensions, recap on the Educators Conference held virtually August 11, 2021, NASBA's Annual

Meeting October 31-November 3, 2021 in San Diego, CA, CPA Evolution, and changes to the NTS expiration dates.

The following individuals with the South Dakota CPA Society joined the meeting at 10:25 a.m.: Tommy Pollema, JoLynn Sorum, and Aaron Clayton were present with Jenny Donovan and Erik Gilbertson joining via Zoom.

The Board and representatives from the SD CPA Society discussed CPA Exam Evolution, NASBA UAA Model Rules, the Educators Conference held virtually August 11, 2021, new Board member recommendations and medical marijuana.

Representatives from the SD CPA Society left the meeting at 11:32.

The Board discussed the NASBA Board of Directors Meeting Minutes from April 23, 2021 and Board of Director Meeting Highlights from July 23, 2021.

Jeff Strand made a motion at 12:00 to enter executive session for the deliberative process for peer reviews. David Pummel seconded the motion. **MOTION PASSED.**

The Board came out of executive session at 12:01.

Jeff Smith made a motion to accept the peer reviews as discussed in executive session. Jeff Strand seconded the motion. **MOTION PASSED.**

David Pummel made a motion at 12:02 to enter executive session for personnel issues. Russell Olson seconded the motion. **MOTION PASSED.**

The Board came out of executive session at 12:52.


The Board reviewed and discussed the FY23 proposed budget.

Jeff Smith made a motion to approve the FY23 budget as presented. Jeff Strand seconded the motion. **MOTION PASSED.**

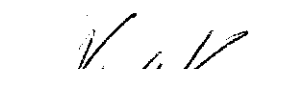

FUTURE MEETING DATES (all times CT)
September 28, 2021 – 8:30 a.m. Zoom meeting
October 27, 2021 – 8:30 a.m. Zoom meeting
December 1, 2021 – 9:00 a.m. Zoom meeting

David Pummel made a motion to adjourn the meeting. Jeff Strand seconded the motion. **MOTION PASSED.**

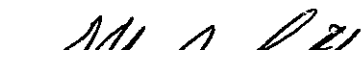
All business having come before the board was concluded and Chair Deidre Budahl adjourned the meeting at 1:05 p.m.



Deidre Budahl, CPA, Chair


Attest: 

Nicole Kasin, Executive Director



Jeff Smith, Sec/Treasurer

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES
BOARD COPY**

Issued Through September 21, 2021

Number	Name	Date Issued	Location
3541	Denetta Louise Horan	8/17/21	Rapid City, SD
3542	Jesse Cameron Walla	8/23/21	Sioux Falls, SD
3543	Austin John Opdahl	8/26/21	Worthington, MN
3544	Curry C. Kuehl	8/30/21	Aberdeen, SD
3545	Christopher John Jansen	9/02/21	Rapid City, SD
3546	Hannah Marie Sheffield	9/03/21	Rapid City, SD

AGENCY: 10 LABOR & REGULATION
BUDGET UNIT: 1031 BOARD OF ACCOUNTANCY - INFO

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	565,773.18	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			565,773.18	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			565,773.18	DR **	
BUDGET UNIT TOTAL 1031			565,773.18	DR ***	

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 08/31/2021

AGENCY UNIT 10 1031 LABOR & REGULATION BOARD OF ACCOUNTANCY - INFO
BUDGET UNIT 1031 10310 BOARD OF ACCOUNTANCY
CENTER-5 10310

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPL OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
6503	103100061802	52045300	8381416X07242021	08/04/2021	00042044	ATTMORBITT	12279233		55.06	DR
6503	103100061802	52045300	8381416X07242021	08/04/2021	00042044	ATTMORBITT	12279233		48.18	DR
6503	103100061802	5204530	TELECOMMUNICATIONS SRVCS						203.92	DR *
6503	103100061802	52045400	51594117006.0721	08/11/2021	02406712	XCELENERGY	12023853		55.65	DR
6503	103100061802	5204540	ELECTRICITY						55.65	DR *
6503	103100061802	52047400	CI102A-007	08/13/2021	284372				2,960.27	DR
6503	103100061802	5204740	BANK FEES AND CHARGES						2,960.27	DR *
6503	103100061802	52049600	578	08/13/2021	00735832	NATIASSNST	12005047		7,031.65	DR
6503	103100061802	5204960	OTHER CONTRACTUAL SERVICE						7,031.65	DR *
6503	103100061802	52050200	CONTRACTUAL SERVICES						18,635.87	DR **
6503	103100061802	52050200	IN3434687,437851	09/01/2021	02409847	INNOVATIVE	12550348		89.51	DR
6503	103100061802	52050200	0000834	08/11/2021	00735772	ECOMATERSY	12627232		22.35	DR
6503	103100061802	52050200	0465968	08/13/2021	00736181	HPINC	12125515		.12	DR
6503	103100061802	52050200	0465968	08/13/2021	00736181	HPINC	12125515		1.74	DR
6503	103100061802	52050200	0466721	09/03/2021	00740051	HPINC	12125515		1.09	DR
6503	103100061802	52053200	OFFICE SUPPLIES						114.81	DR *
6503	103100061802	52053200	29800	08/25/2021	00738360	PREFERREDP	12308425		21.90	DR
6503	103100061802	5228000	PRINTING-COMMERCIAL SUPPLIES & MATERIALS T102-006						21.90	DR *
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT						1,004.35	DR **
6503	103100061802	5228000	NONOP EXP/NONBGTD OP TR						1,004.35	DR **
6503	103100061802	5228000	OPERATING EXPENSES						19,776.93	DR ****
6503	103100061802	5228000	COMP: 6503						26,815.58	DR ****
6503	103100061802	5228000	CNTR: 1031000061802						26,815.58	DR ****
6503	103100061802	5228000	B. UNIT: 1031						26,815.58	DR ****

South Dakota Board of Accountancy
Balance Sheet
As of August 31, 2021

	Aug 31, 21
ASSETS	
Current Assets	
Checking/Savings	
1130000 · Local Checking - Great Western	384.53
1140000 · Pool Cash State of SD	565,773.18
Total Checking/Savings	566,157.71
Other Current Assets	
1131000 · Interest Income Receivable	18,356.04
1213000 · Investment Income Receivable	2,086.30
Total Other Current Assets	20,442.34
Total Current Assets	586,600.05
Fixed Assets	
1670000 · Computer Software	
Original Cost	34,075.00
1770000 · Depreciation	-18,930.68
Total 1670000 · Computer Software	15,144.32
Total Fixed Assets	15,144.32
TOTAL ASSETS	601,744.37
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	11,118.89
Total Accounts Payable	11,118.89
Other Current Liabilities	
2430000 · Accrued Wages Payable	9,683.65
2810000 · Amounts Held for Others	22,144.20
Total Other Current Liabilities	31,827.85
Total Current Liabilities	42,946.74
Long Term Liabilities	
2960000 · Compensated Absences Payable	28,538.78
Total Long Term Liabilities	28,538.78
Total Liabilities	71,485.52
Equity	
3220000 · Net Position	302,680.42
3300100 · Invested In Capital Assets	15,144.60
3900 · Retained Earnings	73,902.63
Net Income	138,531.20
Total Equity	530,258.85
TOTAL LIABILITIES & EQUITY	601,744.37

South Dakota Board of Accountancy
Profit & Loss Budget vs. Actual
 July through August 2021

	Jul - Aug 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	350.00	2,500.00	-2,150.00	14.0%
4293551 · Certificate Renewals-Active	51,900.00	62,500.00	-10,600.00	83.0%
4293552 · Certificate Renewals-Inactive	13,950.00	21,000.00	-7,050.00	66.4%
4293553 · Certificate Renewals-Retired	1,070.00	1,450.00	-380.00	73.8%
4293554 · Initial Firm Permits	50.00	700.00	-650.00	7.1%
4293555 · Firm Permit Renewals	11,300.00	14,500.00	-3,200.00	77.9%
4293556 · Notification	0.00	0.00	0.00	0.0%
4293557 · Initial Audit	150.00	900.00	-750.00	16.7%
4293558 · Re-Exam Audit	376.12	2,460.00	-2,083.88	15.3%
4293559 · Out of State Proctoring Fees	0.00	0.00	0.00	0.0%
4293560 · Late Fees-Initial Certificate	50.00	0.00	50.00	100.0%
4293561 · Late Fees-Certificate Renewals	1,700.00	3,000.00	-1,300.00	56.7%
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	600.00	500.00	100.00	120.0%
4293564 · Late Fees-Peer Review	500.00	1,300.00	-800.00	38.5%
4293566 · Firm Permit Owners	90,760.00	109,000.00	-18,240.00	83.3%
4293567 · Peer Review Admin Fee	600.00	5,500.00	-4,900.00	10.9%
4293568 · Firm Permit Name Change	0.00	100.00	-100.00	0.0%
4293569 · Initial FAR	210.00	1,140.00	-930.00	18.4%
4293570 · Initial REG	150.00	660.00	-510.00	22.7%
4293571 · Initial BEC	90.00	930.00	-840.00	9.7%
4293572 · Re-Exam FAR	330.00	1,860.00	-1,530.00	17.7%
4293573 · Re-Exam REG	240.00	2,310.00	-2,070.00	10.4%
4293574 · Re-Exam BEC	180.00	2,310.00	-2,130.00	7.8%
4491000 · Interest and Dividend Revenue	7,149.03	5,500.00	1,649.03	130.0%
4595100 · Mailings	0.00	0.00	0.00	0.0%
4885000 · Other Exam Revenue	0.00	0.00	0.00	0.0%
4896021 · Legal Recovery Cost	1,601.89	1,000.00	601.89	160.2%
4920045 · Undistributed Earnings	0.00	0.00	0.00	0.0%
4950000 · Prior Period Refund Account	0.00	0.00	0.00	0.0%
Total Income	183,307.04	241,120.00	-57,812.96	76.0%
Expense				
5101000 · Annual/Sick Leave Compensation	0.00	0.00	0.00	0.0%
5101010 · F-T Emp Sal & Wages	11,206.85	86,257.00	-75,050.15	13.0%
5101020 · P-T/Temp Emp Sal & Wages	8,463.44	45,096.00	-36,632.56	18.8%
5101030 · Board & Comm Mbrs Fees	1,260.00	4,969.00	-3,709.00	25.4%
5102010 · OASI-Employer's Share	1,303.47	10,048.00	-8,744.53	13.0%
5102020 · Retirement-ER Share	1,180.25	7,881.00	-6,700.75	15.0%
5102060 · Health /Life Ins.-ER Share	5,010.04	10,809.00	-5,798.96	46.4%
5102080 · Worker's Compensation	27.52	276.00	-248.48	10.0%
5102090 · Unemployment Insurance	1.79	131.00	-129.21	1.4%
5203010 · Auto--State Owned	0.00	250.00	-250.00	0.0%
5203020 · Auto-Private-Ownes Low Mileage	109.02	400.00	-290.98	27.3%
5203030 · In State-Auto- Priv. High Miles	687.96	1,500.00	-812.04	45.9%
5203060 · In State-Air Commercial Carrier	0.00	0.00	0.00	0.0%
5203080 · In State-Other Public Carrier	0.00	0.00	0.00	0.0%

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July through August 2021

	Jul - Aug 21	Budget	\$ Over Budget	% of Budget
5203100 · In State-Lodging	169.00	1,000.00	-831.00	16.9%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203130 · Nonemployment Travel	0.00	0.00	0.00	0.0%
5203140 · InState-Tax Meals Not Overnigt	48.00	100.00	-52.00	48.0%
5203150 · InState-Non-Tax Meals OverNigt	94.00	400.00	-306.00	23.5%
5203220 · OS-Auto Private Low Mileage	0.00	0.00	0.00	0.0%
5203230 · OS-Auto Private High Mileage	0.00	200.00	-200.00	0.0%
5203260 · OS-Air Commercial Carrier	0.00	7,000.00	-7,000.00	0.0%
5203280 · OS-Other Public Carrier	0.00	700.00	-700.00	0.0%
5203300 · OS-Lodging	0.00	9,000.00	-9,000.00	0.0%
5203320 · OS-Incidentals to Travel	0.00	500.00	-500.00	0.0%
5203330 · OS-Nonemployment Travel	0.00	0.00	0.00	0.0%
5203340 · OS-Taxable Meals-Not Overnight	0.00	0.00	0.00	0.0%
5203350 · OS-Non-Taxable Meals Overnight	0.00	1,000.00	-1,000.00	0.0%
5204010 · Subscriptions	0.00	1,000.00	-1,000.00	0.0%
5204020 · Dues and Membership Fees	3,200.00	3,900.00	-700.00	82.1%
5204030 · Legal Document Fees	0.00	300.00	-300.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	3,700.00	-3,700.00	0.0%
5204050 · Consultant Fees - Computer	0.00	22,000.00	-22,000.00	0.0%
5204060 · Consultant Fees-Educat/Training	0.00	0.00	0.00	0.0%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204130 · Consultant Fees-Other	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	0.00	7,500.00	-7,500.00	0.0%
5204180 · Computer Services-State	520.05	5,000.00	-4,479.95	10.4%
5204181 · Computer Development Serv-State	0.00	2,000.00	-2,000.00	0.0%
5204190 · Computer Services-Private	0.00	0.00	0.00	0.0%
5204200 · Central Services	1,266.98	9,000.00	-7,733.02	14.1%
5204220 · Equipment Service & Maintenance	9.60	300.00	-290.40	3.2%
5204230 · Janitorial/Maintenance Services	290.62	1,825.00	-1,534.38	15.9%
5204320 · Audit Services-Private	0.00	0.00	0.00	0.0%
5204330 · Computer Software Lease	714.70	0.00	714.70	100.0%
5204340 · Computer Software Maintenance	0.00	1,000.00	-1,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	500.00	-500.00	0.0%
5204390 · Advertising-Brochures	0.00	0.00	0.00	0.0%
5204440 · Newsletter Publishing	0.00	100.00	-100.00	0.0%
5204460 · Equipment Rental	830.36	4,000.00	-3,169.64	20.8%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	2,761.50	16,569.00	-13,807.50	16.7%
5204500 · Rents-County/Municipal	0.00	0.00	0.00	0.0%
5204510 · Rent-Other	0.00	500.00	-500.00	0.0%
5204530 · Telecommunications Services	310.14	5,500.00	-5,189.86	5.6%
5204540 · Electricity	116.73	900.00	-783.27	13.0%
5204560 · Water	22.35	240.00	-217.65	9.3%
5204580 · Trucking, Drayage, and Freight	0.00	0.00	0.00	0.0%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204730 · Maintenance Contracts	0.00	0.00	0.00	0.0%
5204740 · Bank Fees and Charges	3,032.27	6,500.00	-3,467.73	46.7%
5204960 · Other Contractual Services	0.00	0.00	0.00	0.0%
5205020 · Office Supplies	148.18	3,000.00	-2,851.82	4.9%
5205028 · OFFICE SUPPLIES-2	0.00	0.00	0.00	0.0%
5205060 · Maintenance/Janitorial Supplies	0.00	0.00	0.00	0.0%
5205310 · Printing State	0.00	350.00	-350.00	0.0%
5205320 · Printing/Duplicating/Binding Co	40.15	500.00	-459.85	8.0%
5205330 · Supplemental Publications	0.00	700.00	-700.00	0.0%
5205340 · Microfilm Supplies/Materials	0.00	0.00	0.00	0.0%
5205350 · Postage	0.00	2,000.00	-2,000.00	0.0%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207440 · Filling Equipment	0.00	0.00	0.00	0.0%
5207450 · Office Equipment and Fixtures	0.00	0.00	0.00	0.0%
5207490 · Telephone Equipment	0.00	0.00	0.00	0.0%
5207900 · Computer Hardware	0.00	6,800.00	-6,800.00	0.0%
5207950 · System Development	0.00	1,000.00	-1,000.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	1,000.00	-1,000.00	0.0%
5228000 · Operating Transfers Out-NonBudg	1,004.35	8,000.00	-6,995.65	12.6%

South Dakota Board of Accountancy
Profit & Loss Budget vs. Actual
 July through August 2021

	Jul - Aug 21	Budget	\$ Over Budget	% of Budget
5228030 · Depreciation Expense	946.52	5,679.12	-4,732.60	16.7%
66000 · Payroll Expenses	0.00	0.00	0.00	0.0%
Total Expense	44,775.84	311,290.12	-266,514.28	14.4%
Net Ordinary Income	138,531.20	-70,170.12	208,701.32	-197.4%
Other Income/Expense				
Other Expense				
5228090 · SecuritiyLendingRebateFees	0.00	0.00	0.00	0.0%
Total Other Expense	0.00	0.00	0.00	0.0%
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	138,531.20	-70,170.12	208,701.32	-197.4%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
August 2021

	Aug 21	Aug 20	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	225.00	150.00	75.00	50.0%
4293551 · Certificate Renewals-Active	6,550.00	10,100.00	-3,550.00	-35.2%
4293552 · Certificate Renewals-Inactive	2,150.00	2,150.00	0.00	0.0%
4293553 · Certificate Renewals-Retired	300.00	160.00	140.00	87.5%
4293554 · Initial Firm Permits	50.00	50.00	0.00	0.0%
4293555 · Firm Permit Renewals	2,750.00	2,450.00	300.00	12.2%
4293557 · Initial Audit	90.00	30.00	60.00	200.0%
4293558 · Re-Exam Audit	120.00	150.00	-30.00	-20.0%
4293561 · Late Fees-Certificate Renewals	1,700.00	1,900.00	-200.00	-10.5%
4293563 · Late Fees-Firm Permit Renewals	600.00	450.00	150.00	33.3%
4293564 · Late Fees-Peer Review	150.00	200.00	-50.00	-25.0%
4293566 · Firm Permit Owners	19,460.00	20,040.00	-580.00	-2.9%
4293567 · Peer Review Admin Fee	150.00	300.00	-150.00	-50.0%
4293568 · Firm Permit Name Change	0.00	25.00	-25.00	-100.0%
4293569 · Initial FAR	150.00	60.00	90.00	150.0%
4293570 · Initial REG	120.00	0.00	120.00	100.0%
4293571 · Initial BEC	90.00	30.00	60.00	200.0%
4293572 · Re-Exam FAR	90.00	90.00	0.00	0.0%
4293573 · Re-Exam REG	150.00	150.00	0.00	0.0%
4293574 · Re-Exam BEC	90.00	90.00	0.00	0.0%
4491000 · Interest and Dividend Revenue	7,149.03	11,016.74	-3,867.71	-35.1%
Total Income	42,134.03	49,591.74	-7,457.71	-15.0%
Expense				
5101010 · F-T Emp Sal & Wages	2,931.00	2,650.69	280.31	10.6%
5101020 · P-T/Temp Emp Sal & Wages	2,150.02	1,511.18	638.84	42.3%
5101030 · Board & Comm Mbrs Fees	60.00	0.00	60.00	100.0%
5102010 · OASI-Employer's Share	318.16	281.23	36.93	13.1%
5102020 · Retirement-ER Share	304.88	249.78	55.10	22.1%
5102060 · Health /Life Ins.-ER Share	1,267.03	920.16	346.87	37.7%
5102080 · Worker's Compensation	7.12	7.47	-0.35	-4.7%
5102090 · Unemployment Insurance	0.44	4.19	-3.75	-89.5%
5203020 · Auto-Private-Ownes Low Mileage	109.02	0.00	109.02	100.0%
5203030 · In State-Auto- Priv. High Miles	687.96	0.00	687.96	100.0%
5203100 · In State-Lodging	169.00	0.00	169.00	100.0%
5203140 · InState-Tax Meals Not OverNigt	48.00	0.00	48.00	100.0%
5203150 · InState-Non-Tax Meals OverNight	94.00	0.00	94.00	100.0%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204180 · Computer Services-State	520.05	1,011.60	-491.55	-48.6%
5204181 · Computer Development Serv-State	0.00	120.40	-120.40	-100.0%
5204200 · Central Services	0.00	379.82	-379.82	-100.0%
5204220 · Equipment Service & Maintenance	6.32	0.00	6.32	100.0%
5204230 · Janitorial/Maintenance Services	145.31	142.46	2.85	2.0%
5204330 · Computer Software Lease	714.70	0.00	714.70	100.0%
5204460 · Equipment Rental	751.36	672.36	79.00	11.8%
5204490 · Rents Privately Owned Property	1,380.75	1,380.75	0.00	0.0%
5204530 · Telecommunications Services	206.64	233.16	-26.52	-11.4%
5204540 · Electricity	116.73	0.00	116.73	100.0%
5204560 · Water	0.00	28.89	-28.89	-100.0%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
August 2021

	Aug 21	Aug 20	\$ Change	% Change
5204740 · Bank Fees and Charges	2,960.27	2,515.14	445.13	17.7%
5205020 · Office Supplies	56.65	55.60	1.05	1.9%
5205028 · OFFICE SUPPLIES-2	0.00	0.69	-0.69	-100.0%
5205320 · Printing/Duplicating/Binding Co	18.25	0.00	18.25	100.0%
5228000 · Operating Transfers Out-NonBudg	1,004.35	969.51	34.84	3.6%
5228030 · Depreciation Expense	473.26	473.26	0.00	0.0%
Total Expense	19,701.27	16,808.34	2,892.93	17.2%
Net Ordinary Income	22,432.76	32,783.40	-10,350.64	-31.6%
Net Income	22,432.76	32,783.40	-10,350.64	-31.6%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
 July through August 2021

	Jul - Aug 21	Jul - Aug 20	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	350.00	325.00	25.00	7.7%
4293551 · Certificate Renewals-Active	51,900.00	66,400.00	-14,500.00	-21.8%
4293552 · Certificate Renewals-Inactive	13,950.00	20,850.00	-6,900.00	-33.1%
4293553 · Certificate Renewals-Retired	1,070.00	1,420.00	-350.00	-24.7%
4293554 · Initial Firm Permits	50.00	50.00	0.00	0.0%
4293555 · Firm Permit Renewals	11,300.00	15,250.00	-3,950.00	-25.9%
4293557 · Initial Audit	150.00	30.00	120.00	400.0%
4293558 · Re-Exam Audit	376.12	210.00	166.12	79.1%
4293560 · Late Fees-Initial Certificate	50.00	0.00	50.00	100.0%
4293561 · Late Fees-Certificate Renewals	1,700.00	1,900.00	-200.00	-10.5%
4293563 · Late Fees-Firm Permit Renewals	600.00	450.00	150.00	33.3%
4293564 · Late Fees-Peer Review	500.00	1,150.00	-650.00	-56.5%
4293566 · Firm Permit Owners	90,760.00	121,430.00	-30,670.00	-25.3%
4293567 · Peer Review Admin Fee	600.00	1,650.00	-1,050.00	-63.6%
4293568 · Firm Permit Name Change	0.00	0.00	0.00	0.0%
4293569 · Initial FAR	210.00	180.00	30.00	16.7%
4293570 · Initial REG	150.00	30.00	120.00	400.0%
4293571 · Inital BEC	90.00	30.00	60.00	200.0%
4293572 · Re-Exam FAR	330.00	150.00	180.00	120.0%
4293573 · Re-Exam REG	240.00	240.00	0.00	0.0%
4293574 · Re-Exam BEC	180.00	270.00	-90.00	-33.3%
4491000 · Interest and Dividend Revenue	7,149.03	11,016.74	-3,867.71	-35.1%
4896021 · Legal Recovery Cost	1,601.89	0.00	1,601.89	100.0%
Total Income	183,307.04	243,031.74	-59,724.70	-24.6%
Expense				
5101010 · F-T Emp Sal & Wages	11,206.85	10,798.23	408.62	3.8%
5101020 · P-T/Temp Emp Sal & Wages	8,463.44	7,079.33	1,384.11	19.6%
5101030 · Board & Comm Mbrs Fees	1,260.00	900.00	360.00	40.0%
5102010 · OASI-Employer's Share	1,303.47	1,286.89	16.58	1.3%
5102020 · Retirement-ER Share	1,180.25	1,001.14	179.11	17.9%
5102060 · Health /Life Ins.-ER Share	5,010.04	3,707.26	1,302.78	35.1%
5102080 · Worker's Compensation	27.52	32.15	-4.63	-14.4%
5102090 · Unemployment Insurance	1.79	17.92	-16.13	-90.0%
5203020 · Auto-Private-Ownes Low Mileage	109.02	0.00	109.02	100.0%
5203030 · In State-Auto- Priv. High Miles	687.96	0.00	687.96	100.0%
5203100 · In State-Lodging	169.00	0.00	169.00	100.0%
5203140 · InState-Tax Meals Not OverNigt	48.00	0.00	48.00	100.0%
5203150 · InState-Non-Tax Meals OverNight	94.00	0.00	94.00	100.0%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204050 · Consultant Fees - Computer	0.00	1,918.13	-1,918.13	-100.0%
5204180 · Computer Services-State	520.05	1,517.40	-997.35	-65.7%
5204181 · Computer Development Serv-State	0.00	120.40	-120.40	-100.0%
5204200 · Central Services	1,266.98	1,537.31	-270.33	-17.6%
5204220 · Equipment Service & Maintenance	9.60	5.21	4.39	84.3%
5204230 · Janitorial/Maintenance Services	290.62	284.92	5.70	2.0%
5204330 · Computer Software Lease	714.70	0.00	714.70	100.0%
5204460 · Equipment Rental	830.36	751.36	79.00	10.5%
5204490 · Rents Privately Owned Property	2,761.50	2,761.50	0.00	0.0%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
July through August 2021

	Jul - Aug 21	Jul - Aug 20	\$ Change	% Change
5204530 · Telecommunications Services	310.14	477.06	-166.92	-35.0%
5204540 · Electricity	116.73	26.55	90.18	339.7%
5204560 · Water	22.35	28.89	-6.54	-22.6%
5204740 · Bank Fees and Charges	3,032.27	3,800.19	-767.92	-20.2%
5205020 · Office Supplies	148.18	55.60	92.58	166.5%
5205028 · OFFICE SUPPLIES-2	0.00	0.89	-0.89	-100.0%
5205320 · Printing/Duplicating/Binding Co	40.15	27.60	12.55	45.5%
5228000 · Operating Transfers Out-NonBudg	1,004.35	1,309.90	-305.55	-23.3%
5228030 · Depreciation Expense	946.52	946.52	0.00	0.0%
Total Expense	44,775.84	43,592.35	1,183.49	2.7%
Net Ordinary Income	138,531.20	199,439.39	-60,908.19	-30.5%
Net Income	138,531.20	199,439.39	-60,908.19	-30.5%

VIOLATION OF BOARD ORDER

DLR 21-37/Case #102-21

1. Bruce Ashland board order from May 5:

It is the Order of the Board, that the dates listed on the certificate of completions submitted by the licensee be considered to be the dates of attendance and/or completion of the CPE as required by board rule and law. Mr. Ashland's CPE hours will be reported based on the dates shown on the certificates of completion. In accordance with board policy, Mr. Ashland's hours will be adjusted to meet the minimum requirements of the year 2019 to 2021 renewal periods. Due to the violations of law, as listed in the Conclusions of Law, Mr. Ashland is Ordered to attend an additional 20 hours of CPE within the next 90 days; four (4) hours of the 20 CPE hours must be on the topic of Ethics and the Professional Code of Conduct. These 20 hours of CPE are in addition to any requirements for the current and upcoming years and should not be reported on the annual renewal form. The Board will conduct audits of Mr. Ashland's CPE credits for the next three (3) years. No extensions will be given to Mr. Ashland for completing his annual CPE for the next three (3) years. The Board has further Ordered an administrative fine of \$1,000.00 to Mr. Ashland as well as requiring payment of administrative costs of the contested hearing, as allowed by law.

2. Amendment to Order – June 16, 2021:

The Board of Accountancy entered an order in the above referenced matter on May 5, 2021. In that order among, other things, ASHLAND was ordered to pay \$1,000.00 plus costs associated with the hearing. At that time no due date was set. It is now therefore

ORDERED that the previously ordered \$1,000.00 administrative fine and payment of costs for the administrative hearing shall be due no later than June 30, 2021. It is further

ORDERED that ASHLAND's non-compliance with this order shall result in the immediate suspension of his license, with the suspension remaining in effect until the order has been complied with.

3. August 1, 2021 - Ashland submitted CPA license renewal. 37 hours of CPE were reported on the active renewal license. (He was required to complete at least 31 hours of CPE for period ending June 30, 2021).
4. August 4, 2021 - An email was sent to Ashland requesting the certificates of completion for the renewal and for the CPE hours required per the May 5 board order.
5. August 9, 2021 – CPE certificates of completion were submitted to the board for review.
6. August 10, 2021 – Letter sent via email to Ashland, detailing the individual renewal and firm permit are unable to be approved. The CPE courses taken were not valid. (see letter on following pages).

7. August 17, 2021 -Response from Ashland, request for CPE Extension (see letter on following pages).
8. August 24, 2021 – Letter sent via email to Ashland, clarifying request. (see letter on following pages)
9. September 20, 2021 -Follow-up letter from Ashland regarding CPE request. (see letter on following pages)

Considerations to make a determination:

1. Does the board consider the CPE extension requests a violation of the board order from May 5?
2. Does the board want to make an amendment to order of May 5 to grant CPE extensions?
3. Does the board want to grant or deny the request for the CPE extension for the FY22 renewal CPE hours for reporting period of July 1, 2020 to June 30, 2021?
4. Does the board want to grant or deny the request for the CPE extension for the 20 hours of CPE in the board order of May 5?



**SOUTH DAKOTA
BOARD OF ACCOUNTANCY**

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August 10, 2021

Bruce A. Ashland
2710 W. Main St.
Rapid City, SD 57702

Dear Mr. Ashland,

This letter is to inform you that your individual CPA renewal and firm permit renewal are unable to be approved and you must stop providing CPA services.

As you will recall following a hearing in case DLR 21-37, the South Dakota Board of Accountancy entered an Order on May 5, 2021, and an Amendment to that Order on June 16, 2021. As part of that order the Board required your CPE to be audited for the next three years. You submitted an active CPA license renewal on August 1, 2021, for year ending July 31, 2022. On the renewal application you reported 37 hours of CPE via self-study from the provider Online Accounting CPE. I requested your CPE certificates of completion to conduct the audit of reported CPE to be in compliance with the order. In accordance with ARSD 20:75:04:15 (2) and (3), self-study programs require a certificate of completion from a CPE sponsor that has been approved by NASBA's national registry of CPE sponsors. Online Accounting CPE is not a sponsor on the NASBA national registry, and the 37 hours of CPE are not valid.

Therefore, the renewal of your CPA license is not approved, and you must submit qualifying CPE for your renewal to be approved.

Please be advised, in the event you submit qualifying CPE and your CPA license is issued, it will immediately be placed in suspension. This is due to you being in violation of the board's May 5, 2021 Order. In that Order you were required you to complete an additional 20 hours of CPE with 4 of the 20 CPE hours covering the topic of Ethics and the Professional Code of Conduct. This CPE was to be completed by August 3, 2021. You provided 36 hours of CPE via self-study from the provider Online Accounting CPE. However, as mentioned above, Online Accounting CPE is not a sponsor on the NASBA national registry, and the 36 hours of CPE do not fulfil the requirement of the Order.

Therefore, you are in violation of the May 5, 2021 Order and as amended on June 16, 2021. In order to be able to be authorized to practice as a CPA, you must submit qualifying CPE as set forth in the Order.

To obtain your license and be able to practice as a CPA, you must complete a minimum of 31 hours of CPE for period ending June 30, 2021 and 20 hours of CPE for the Board order dated May 5, 2021. All CPE must be completed in accordance with ARSD chapter 20:75:04, the rules on Continuing Professional Education.

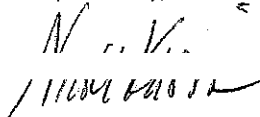
Until you have complied with the above you must refrain from holding your self out as a CPA or offering CPA services. Pursuant to SDCL 36-20B-55 a person who does not hold a valid certificate may not use or assume the title, certified public accountant, the abbreviation, CPA, or another title, designation, words, letters, abbreviation, sign, card or device tending to indicate that such person is a certified public accountant.

Finally, you also submitted a firm permit renewal for the firm Bruce A. Ashland, CPA, PC. At this time the firm permit renewal cannot be issued, due to the issues with your individual license. Pursuant to SDCL 36-20B-33 (1) a majority of the owners of the firm, in terms of financial interests and voting rights, must be holders of a CPA certificate and are licensed in some state. An owners whose principal place of business is in this state and who perform professional services in this state must hold a valid certificate issued under this chapter.

However, your firm's renewal application lists two CPA owners. As your individual CPA license is not able to be renewed, the firm may be able to be issued, but first it must submit documentation showing ownership percentages of the firm between yourself and the other owner. This is required to determine if the firm qualifies for a firm permit. Until this information is submitted to the Board and verified, the firm renewal application cannot be approved.

Please be advised the firm Bruce A. Ashland, CPA, PC may not perform services for the public until the requested information is provided and a determination can be made.

Respectfully,



Nicole Kasin
Executive Director

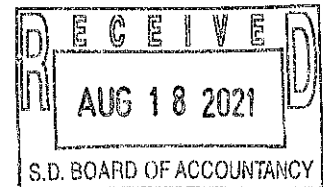
Cc: Roger Tellinghuisen, Attorney for Respondent
Graham Oey, Board Attorney

BRUCE A. ASHLAND, CPA, PC
Certified Public Accountant

• Rapid City, SD 57702
(605) 348-5333 • FAX (605) 343-7143
E-mail: bacpa@rushmore.com

August 17, 2021

South Dakota Board of Accountancy
301 E. 14th Street, Suite 200
Sioux Falls, SD 57104



Dear Board,

I received a letter this week stating that my required Continued Professional Education (CPE) for the last fiscal year, as well as the Board stipulated CPE, was with a CPE provider (Online Accounting CPE) which was not approved by the South Dakota Board of Accountancy. As you can imagine I was very surprised. I submitted 37 hours for my certificate renewal which was 6 more than the required 31. I had also submitted 28 hours of CPE to meet the Board stipulated 20 hours per their May 5 order.

In the bottom corner of Online Accounting CPE's website is a list of the states where their CPE is approved. I hadn't noticed this until I received your notice. They are an approved CPE provider for Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, Georgia, Idaho, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Hampshire, New Mexico, North Carolina, North Dakota, Pennsylvania, Rhode Island, Texas, Utah, Vermont, Virginia, Washington, Wisconsin, and Wyoming. According to other information, I also noticed that there are only 13 states that rely totally on NASBA with South Dakota being one.

In performing my CPE this year I was endeavoring to exceed what you asked of me. These courses had every indication of being an excellent education source for CPAs. (They even offer a course in ethics that is titled "South Dakota" under ethics standards.) I was not aware that South Dakota was not on this list until I received the notice from you. The courses and tests are of the same quality as all other CPE provider courses or else these other states would not accept them. I have learned that the reason they are not on NASBA's national registry is because of their testing format. They allow you to take the final exam multiple times using your prior exam's answer sheet for each subsequent exam. In my case, I passed most of my exams on the first try so it was not even an issue.

I would ask for a solution to this issue that is less ultra harsh than losing my CPA license. I would ask the Board to look at accepting this company's CPE since almost 2/3 of all state boards accept them. If that cannot be accomplished I would ask for an extension of time to complete the CPE with a NASBA provider. You could make that extension as little as 15 days or as much as 30 days. I will do another 60

hours of CPE to keep my license. If either of these is not acceptable, or you would like more information, I would make a formal request to address the Board as soon as possible.

In the mean time I have removed my license from our office wall, removed all business cards and instructed my staff not to refer to me as a CPA.

Regarding our firm, Bruce A. Ashland CPA PC, Lucas Ashland is 50.1% majority owner of the firm. He is licensed in the state of South Dakota. This qualifies as a majority interest in the firm of financial interests and voting rights.

I look forward to hearing from you.

Sincerely,



Bruce Ashland



**SOUTH DAKOTA
BOARD OF ACCOUNTANCY**

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www.accountancy.sd.gov

August 24, 2021

Bruce A. Ashland
2710 W. Main St.
Rapid City, SD 57702

Dear Mr. Ashland,

In your letter dated August 17, 2021, you requested the Board to accept your CPE from Online Accounting, as it does not meet the requirements of ARSD 20:75:04:15 (2) and (3). If that cannot be accomplished, you requested an extension to complete the CPE with a NASBA provider. These requests will be brought before the Board at their next scheduled board meeting on September 22, 2021.

Please be advised while the Board has discretion to grant the extension, I am unaware of any authority the Board has to waive requirements, such as those found in ARSD 20:75:04:15.

You also addressed that you have removed your license from the office wall, removed business cards and instructed staff not to refer to you as a CPA. As I informed you in the letter dated August 10, 2021, you must stop providing CPA services. You do not have a valid CPA license. You may not perform or offer to perform for the public, individually or as an employee in a firm, one or more kinds of services involving the use of accounting or auditing skills, including the issuance of reports on financial statements, perform or offer to perform for the public one or more kinds of management advisory, financial advisory or consulting services, perform or offer to perform for the public services including preparation of tax returns or the furnishing of advice on tax matters.

The firm permit will be renewed due to you asserting Lucas Ashland is 50.1% majority owner of the firm Bruce A. Ashland CPA PC.

Respectfully,

Nicole Kasin
Executive Director

Cc: Roger Tellinghuisen, Attorney for Respondent
Graham Oey, Board Attorney



BRUCE A. ASHLAND, CPA, PC
Certified Public Accountant

• Rapid City, SD 57702
(605) 348-5333 • FAX (605) 343-7143
E-mail: bacpa@rushmore.com

September 20, 2021

South Dakota Board of Accountancy

301 E. 14th Street, Suite 200

Sioux Falls, SD 57104

Dear Board,

This is a follow up to my letter of August 17 and the response from the Executive Director. I believe it will be easier for you to reinstate my license if I have completed the required CPE from a NASBA provider. In that regard I have completed another 54 hours of CPE from Sequoia CPE of San Diego CA which is a South Dakota approved provider of CPE course work. I am submitting an ethics course titled "Ethical Conduct for CPAs" for 4 hours and "Choosing a Business Entity" for 16 hours to meet the extra 20 hours stipulated by the Board in their May 5th order. In addition, for my regular annual CPE I am submitting 34 hours consisting of "2022 Filing Season Income Tax Update" for 8 hours, "Basic Real Estate Accounting Principles" for 6 hours and "Compilation and Review" for 20 hours. I was required to have 31 hours so this is extra above the requirement.

In total I have completed 119 hours in the past three months to address this issue. While half of this is due to a minor oversight on my part, I believe it shows the length I will go to meet the rules of our State and keep my license. It could be suggested that I have completed three extra years of CPE for taking my previous years CPE exams after June 30. However, if this extra CPE fixes that issue I am happy to do it.

I presume you will review this at your September Board meeting. If this certified CPE does not resolve the issue, or you would like more information, I would make a formal request to address the Board as soon as possible. I can be available on Wednesday.

I look forward to hearing from you.

Sincerely,

Bruce Ashland

CPE EXTENSION REQUESTS

Nicole Kasin

The following email is from an individual who is requesting a second CPE extension for the July 1, 2020 to June 30, 2021 CPE reporting period. They had already been given a 90-day extension from staff which is through September 30, 2021.

In accordance with ARSD 20:75:04:10 the board shall review subsequent requests for extensions and may grant them on a case by case basis for good cause. Good cause includes personal emergencies, acts of God, or administrative errors made by the board.

2nd CPE Extension request:
Julie and Board Members:

I am writing to request additional time of extension to complete my CPE for 2021.

The reasons I am asking for extension is due to family health issues that have occurred this year including Covid-19 and transitioning my uncle (for which I am the caregiver) to a care facility. These factors have prevented me from completing the CPE on time.

Thank you for your consideration on this extension.

I requested additional information:

Julie forwarded your email to me for the 2nd extension request to go before the Board. I can see that you were required to complete 50 CPE hours by June 30, 2021. Please provide me the number of hours you have completed to date, the courses and dates completed. Please address the issue(s) specific on why the CPE was not completed in the 90 day extension (I am unclear if this is when you had the issues listed below occur). Then you may want to address a specific timeline of when you will get the hours completed. Thank you.

Response:
Nicole and Board of Accountancy,

I have not completed my CPE during the extension due to my inability to concentrate which I am attributing to Covid. I have also not been able to complete the CPE during the extension time frame due to work commitments that did not allow me sufficient time to work on the continuing education.

I have been able to block off time in October to complete the CPE and I will have the hours completed by October 31, 2021. Thank you for your consideration on this extension. You may contact me by phone or e-mail with any questions.

Jack Davis

The board needs to make a determination on the request.

EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

Renewals for individuals and firms

Paper renewal forms were available on our website on June 15, 2021. Online renewals opened June 15, 2021. Here is the status of renewals through September 22, 2021:

Entity	Renewed thru 7/31/2021	Pending renewals thru 7/31/2022	Completed renewals thru 7/31/2022
Firms	294	0	285
Individuals – Active	1261	0	1241
Individuals – Inactive	389	0	372
Individuals – Retired	133	0	150

Expired 26 licenses due to non-renewal.

CPE Extensions

There have been 57 administrative extensions granted for the CPE reporting period ending June 30, 2021 through 9-22-21. The extensions are valid through 9-30-21. 40% of those granted extensions have already reported their completed CPE. The remaining 60% were sent an email reminder to report the CPE with a deadline provided.

NASBA Issues/Topics

1. NASBA Annual meeting October 31-November 3, has moved to a virtual format.
2. CPA Evolution
 - a. Model Rules approved by NASBA/AICPA. The following are conflicts with our rules:
 - i. Principles 1 & 2 undergrad or introductory accounting at grad level – not counting towards 24 hours in accounting
 1. Responses received from colleges/universities did not have any negative feedback with making this proposal change.
 - ii. Data analytics - courses count toward business or accounting, even if the course prefix is from a different college or university program (engineering, computer science or math)
 1. Responses received from colleges/universities did not indicate they used a different program for data analytics, they had this in their accounting or business courses
 - iii. A maximum of 9 credit hours for internship/independent study
 1. Responses received from colleges/universities did not have any negative feedback with making this proposal change
 - b. Implementation proposed for January 2024
3. Notice to Schedule
 - a. Currently the Board allows the NTS to be valid for 1 year. There has been discussion in our Executive Director meetings to try to make this more uniform across the United States and move to a 6 month NTS.
 - b. This is policy, not a statute or rule change. Create committee to make a recommendation to the Board regarding the change.

Board Discussion

- Any New Business/topics?