



**SOUTH DAKOTA
BOARD OF ACCOUNTANCY**

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South Dakota Board of Accountancy Meeting
Minutes of Meeting
Holiday Inn City Centre – Conference Room
August 15, 2012

The Board of Accountancy held a meeting at the Holiday Inn City Centre – Conference Room in Sioux Falls, SD on Wednesday, August 15, 2012. Chair Holly Brunick called the meeting to order at 8:35 a.m.

The following members were present: Holly Brunick, David Olson, John Linn, Jr., John Mitchell, and John Peterson. Marty Guindon joined the meeting via conference call. A quorum was present.

Also present were Nicole Kasin, Executive Director; Julie Iverson, Senior Secretary; Tricia Nussbaum, Secretary; Aaron Arnold, Legal Counsel; and Todd Kolden, Department of Labor & Regulation.

A motion was made by David Olson and seconded by John Linn, Jr. to approve the election of Board officers as follows: John Mitchell -Chair, John Linn, Jr. -Vice Chair, and John Peterson-Secretary/Treasurer. The motion unanimously carried.

A motion was made by John Linn, Jr. and seconded by John Mitchell to approve July 16, 2012, meeting minutes. The motion unanimously carried.

A motion was made by John Mitchell and seconded by John Linn, Jr. to approve the issuance of individual certificates and firm permits through August 10, 2012. The motion unanimously carried.

A motion was made by David Olson and seconded by John Mitchell to approve the financial statements through July 2012. The motion unanimously carried.

Ted Lodden, NASBA Regional Director joined the meeting at 8:46 a.m.

Ted Lodden gave a presentation on the key issues with NASBA. The Board complimented Ted on his work as the Regional Director and is pleased that NASBA is becoming more member driven.

Ted Lodden left the meeting at 9:45 a.m.

The Board presented David Olson with a certificate of appreciation for his years of service to the Board as his appointment ends October 30, 2012.

The Board discussed the annual conference for NASBA which will be held October 28-31, 2012. The International Forum will be held October 31 and November 1, 2012. The location of the meetings will be in Orlando, FL at Walt Disney World Swan and Dolphin Resort.

A motion was made by John Peterson and seconded by David Olson to approve travel for two board members and the Executive Director to attend the NASBA annual conference in Orlando, FL on October 28-31, 2012 and for one board member and the executive director to attend the International Forum in Orlando, FL on October 31 and November 1, 2012. The motion unanimously carried. The Executive Director will submit the necessary documents for travel.

The Board reviewed and discussed the FY14 Proposed Budget.

A motion was made by John Linn, Jr. and seconded by John Peterson to approve the FY14 Budget as presented. The motion unanimously carried.

The Board reviewed an individual's request for a handbook that was written by them to be considered for 60 CPE hours for the period of July 1, 2011 to June 30, 2012.

A motion was made by Holly Brunick and seconded by John Linn, Jr. to approve the request for a handbook to be used as 60 hours of CPE for the period of July 1, 2011 to June 30, 2012 for Jerry Noonan. The motion unanimously carried.

Executive Director Kasin explained firm data, CPA exam candidates, and online license renewals in her report. The Board became aware that the CPA exam candidates will now be able to complete & submit a re-exam application online. The Board reviewed the online renewal statistics.

The Board discussed approving NASBA International Evaluation Services as an international transcript evaluation service provider for CPA examination candidates.

A motion was made by John Linn, Jr. and seconded by John Mitchell to approve NASBA International Evaluation Services as an acceptable international transcript evaluation service provider for CPA exam candidates and to add it to the approved list of providers. The motion unanimously carried.

A motion was made by David Olson and seconded by John Linn, Jr. to enter into executive session for the deliberative process for peer reviews and follow-ups. The motion unanimously carried.

The Board came out of executive session.

A motion was made by David Olson and seconded by John Linn, Jr. to accept the peer reviews and follow-up as discussed in executive session. The motion unanimously carried.

Douglas Hruby joined the meeting at 10:20 a.m. Todd Kolden left the meeting at 10:21 a.m.

Hearing at 10:32 a.m. for Douglas Hruby

Present were Board Legal Counsel Aaron Arnold, Board Chair John Mitchell, Vice Chair John Linn, Jr., Secretary-Treasurer John Peterson, Board Members Holly Brunick, Dave Olson, and Marty Guindon-via conference call. Others present were staff members Nicole Kasin, Executive Director; Julie Iverson, Senior Secretary; Tricia Nussbaum, Secretary; and Douglas Hruby.

Board Legal Counsel Aaron Arnold presented the Board's case. Douglas Hruby represented himself at the hearing and presented his case. The Board closed the hearing at 11:03 a.m.

A motion was made by David Olson and seconded by John Mitchell to enter into executive session for the purpose of deliberation. The motion unanimously carried.

The Board came out of executive session.

A motion was made by John Linn, Jr. and seconded by John Mitchell to have Douglas Hruby's 18 CPE hours submitted in July 2012 rolled back to the period ending June 30, 2012. Mr. Hruby is required to pay an administrative fine of \$550 by August 31, 2012. Mr. Hruby is publicly reprimanded for the pattern of noncompliance with respect to CPE requirements and his attempt to shift his responsibility to the Board Staff. The conditions of the August 2011 Negotiated Consent Agreement is still in force. Mr. Hruby will have a CPE audit for the next three reporting periods. Mr. Hruby's license is considered renewed as of August 1, 2012. The motion unanimously carried. Aaron Arnold will prepare the findings of fact, conclusions of law and order.

Douglas Hruby and David Olson left the meeting at 11:55 a.m.

Hearing at 11:56 a.m. for Brian Mallin

Present were Board Legal Counsel Aaron Arnold, Board Chair John Mitchell, Vice Chair John Linn, Jr., Secretary-Treasurer John Peterson, Board Members Holly Brunick and Marty Guindon-via

conference call. Others present were staff members Nicole Kasin, Executive Director; Julie Iverson, Senior Secretary; and Tricia Nussbaum, Secretary.

Board Legal Counsel Aaron Arnold presented the Board's case. The Board closed the hearing at 12:18 p.m.

A motion was made by John Linn, Jr. and seconded by Holly Brunick to enter into executive session for the purpose of deliberation. The motion carried 5 aye; 1 excused (Olson).

The Board came out of executive session.

A motion was made by John Linn, Jr. and seconded by Holly Brunick to accept the surrender of certificate by Mr. Mallin and if Mr. Mallin applies for licensure within the five years from August 15, 2012, he shall appear, in person, before the Board prior to the issuance of a certificate. The motion carried 5 aye; 1 excused (Olson). Aaron Arnold will prepare the findings of fact, conclusions of law, and order.

The Board took a break for lunch. The Board resumed the regular Board Meeting at 1:16 p.m.

Marty Guindon re-joined the meeting after the lunch break at 1:24 p.m. via conference call.

The following people with the South Dakota CPA Society joined the meeting at 1:30 p.m.: Joylynn Buus, Jay Tolsma, Leah Van Dam, and Laura Coome.

The Board and representatives from the SD CPA Society discussed the firm fee data.

Holly Brunick left the meeting at 1:38 p.m.

The following people with the South Dakota CPA Society left the meeting at 2:39 p.m.: Joylynn Buus, Jay Tolsma, Leah Van Dam, and Laura Coome.

The Board completed the NASBA Regional Director's quarterly focus questions.

The Board discussed PROC for SD Peer Reviews. Executive Director Kasin will set up a monitoring report on SD Peer Reviewers and work with a committee of two Board members to monitor the information.

The Board briefly discussed NASBA's Board of Directors April 2012 Meeting Minutes and the Board of Directors July 2012 Meeting Highlights.

FUTURE MEETING DATES (all times CT)

September 17 – 9:00 – Conference Call

October 15 – 8:30 – Tentative (Pierre)

A motion was made by John Linn, Jr. and seconded by Marty Guindon to adjourn the meeting. The motion carried 4 aye; 2 excused (Olson, Brunick).

All business having come before the board was concluded and Chair John Mitchell adjourned the meeting at 3:25 p.m.



John Mitchell, CPA, Chair

Attest: 

Nicole Kasin, Executive Director



John Peterson, Sec/Treas