



**SOUTH DAKOTA  
BOARD OF ACCOUNTANCY**

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Sioux Falls, SD 57104  
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Agenda  
South Dakota Board of Accountancy Meeting  
Conference Call  
9:00 a.m. (CT)  
January 20, 2017

A=Action  
D=Discussion  
I=Information

A-Approval of Minutes of Meeting December 8, 2016.....	2-3
A-Approval of Certificates & Firm Permits.....	4-5
A-Approval of Financial Statements through December 2016.....	6-24
A-Report to Board on NASBA Executive Directors and Legal Counsel Conference.....	25-35
A-Report to Board on Grades.....	36-37
D-Executive Director's Report.....	38
<b>AICPA</b>	
D-Proposed Evolution of Peer Review Administration, revised January 2017.....	39-49
<b>NASBA</b>	
D-Candidate Concerns 4Q16.....	50-53
<b>EXECUTIVE SESSION</b>	
Equivalent Reviews and Off-Site request for Board Approval.....	Spt. Pkt.

**FUTURE MEETING DATES** (all times CT)  
March 24, 2017 – 9:00 Conference Call



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South Dakota Board of Accountancy  
Minutes of Meeting-Conference Call  
December 8, 2016 - 9:00 a.m.

The Board of Accountancy held a meeting by conference call on Thursday, December 8, 2016. Chair David Pummel called the meeting to order at 9:16 a.m.

Roll call was taken to confirm that the following members were present: Jeff Smith, Deidre Budahl, Holly Brunick, Marty Guindon, Jeff Strand and David Pummel. A quorum was present.

Also present were Nicole Kasin, Executive Director, Julie Iverson, Sr. Secretary, and Graham Oey, Legal Counsel and Department of Labor & Regulation.

Chair David Pummel asked if there were any additions to the agenda. The following were added:  
Addition to the Firm Permits

A motion was made by Marty Guindon and seconded Jeff Smith to approve the agenda. A roll call vote was taken. The motion unanimously carried. (Strand-yea; Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

A motion was made by Holly Brunick and seconded by Marty Guindon to approve the October 27, 2016 meeting minutes. A roll call vote was taken. The motion unanimously carried. (Strand-yea; Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

A motion was made by Jeff Strand and seconded by Holly Brunick to approve the issuance of individual certificates and firm permits through December 7, 2016. A roll call vote was taken. The motion carried. (Strand-yea; Budahl -abstain; Guindon.-yea; Smith-abstain; Brunick-yea; Pummel-yea)

The board discussed the financials; it was noted that the balance for the board covers at least one year of operating expenses, potential legal fee expenses, and information technology development. A motion was made by Marty Guindon and seconded by Deidre Budahl to approve the financial statements through October 2016. A roll call vote was taken. The motion unanimously carried. (Strand-yea; Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

The board discussed a request from a licensee to hold his license in good standing while on active duty being deployed out of country for 400 days beginning November 2016.

A motion was made by Marty Guindon and seconded by Jeff Smith to approve the licensee's request to waive the requirements while out of the country on active duty. A roll call vote was taken. The motion unanimously carried. (Strand-yea; Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

The Board discussed making changes to the rules specifically for individuals deployed on active duty. Executive Director will review and find language with Legal Counsel Oey to bring for review at the next rule change.

Executive Director Kasin discussed her report with an update on the new database, the Board's new website, and CPE audits.

Legal Counsel Oey talked to the Board about the implementation of Initiated Measure 22.

The Board discussed the AICPA Board of Examiners meeting highlights from September 29-30, 2016; the NASBA Board of Directors meeting minutes from July 22, 2016 and meeting highlights from October 28 and November 1, 2016; and NASBA's Regional Director's Focus Questions Executive Summary and Report.

The Board completed NASBA's quarterly focus questions.

The Board discussed the NASBA Candidate Concerns 3rd Quarter.

A motion was made by Holly Brunick and seconded by Jeff Strand to enter into executive session for the deliberative process for peer reviews. A roll call vote was taken. The motion unanimously carried. (Strand-yea; Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

The Board came out of executive session.

A motion was made by Marty Guindon and seconded by Deidre Budahl to accept the peer reviews as discussed in executive session. A roll call vote was taken. The motion unanimously carried. (Strand-yea; Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

**FUTURE MEETING DATES** (all times CT)

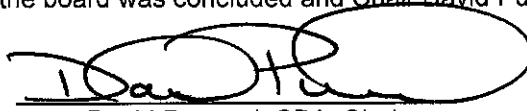
January 20, 2017 - 9:00 a.m. conference call


March 24, 2017 - 9:00 a.m. conference call

A motion was made by Holly Brunick and seconded by Jeff Smith to adjourn the meeting. A roll call vote was taken. The motion unanimously carried. (Strand-yea; Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

All business having come before the board was concluded and Chair David Pummel adjourned the meeting at 10:04 a.m.

Attest:   
Nicole Kasin, Executive Director

  
David Pummel, CPA, Chair

  
Jeff Smith, Sec/Treasurer

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES  
BOARD COPY**

**Issued Through January 12, 2017**

<b>Number</b>	<b>Name</b>	<b>Date Issued</b>	<b>Location</b>
3295	Allysen Lynn Boetel	12/08/16	Pierre, SD
3296	Laura Elizabeth Peterson	12/13/16	Sioux Falls, SD
3297	Brent Richard Ryrholm	12/14/16	Sioux Falls, SD
3298	Megan Kay Oeltjenbruns	12/15/16	Sioux Falls, SD
3299	Daniel Herbert Semmler	12/19/16	Yankton, SD
3300	Brianna Marie Neuhauser	12/19/16	Pierre, SD
3301	Sarah K. Krejci	12/30/16	Omaha, NE
3302	Carrie Anne Brown	01/04/17	Yankton, SD
3303	Georgetta Ann Geidel	01/06/17	Rapid City, SD
3304	Romaine Robert Kocer	01/10/17	Rapid City, SD

**FIRM PERMITS TO PRACTICE PUBLIC ACCOUNTANCY  
BOARD COPY**

**Issued Through  
January 12, 2017**

<b>Number</b>	<b>Name</b>	<b>Date Issued</b>	<b>Basis/Comments</b>
1684	Halse Company, PLC Rock Rapids, IA	01/09/17	Name Change
1685	Hofer, Humpal & Hadler Sioux Falls, SD	01/11/17	Name Change

BA1409R1

STATE OF SOUTH DAKOTA  
CASH CENTER BALANCES  
AS OF: 12/31/2016

PAGE 123

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	461,973.78	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			461,973.78	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			461,973.78	DR **	
BUDGET UNIT TOTAL 1031			461,973.78	DR ***	

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 12/31/2016

AGENCY BUDGET CENTER	UNIT	LABOR & REGULATION BOARD OF ACCOUNTANCY	BOARD OF ACCOUNTANCY	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
6503	103100061802	51010100	CGEX161129			12/02/2016					2,250.56	DR
6503	103100061802	51010100	CGEX161213			12/16/2016					2,438.82	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES CGEX161129 CGEX161213 CGEX161222												
6503	103100061802	51020100	CGEX161222			12/02/2016					4,689.38	DR
6503	103100061802	51020100	CGEX161213			12/16/2016					922.26	DR
6503	103100061802	51020100	CGEX161213			12/16/2016					999.92	DR
6503	103100061802	51020100	CGEX161222			12/27/2016					270.00	DR
OBJSUB: 5102020 P-T/TEMP EMP SAL & WAGES CGEX161213												
6503	103100061802	51020300	CGEX161213			12/16/2016					2,192.18	DR
OBJSUB: 5101030 BOARD & COMM MBRS FEES EMPLOYEE SALARIES CGEX161129 CGEX161213 CGEX161222												
6503	103100061802	51020200	CGEX161213			12/02/2016					300.00	DR
6503	103100061802	51020200	CGEX161213			12/16/2016					7,181.56	DR
6503	103100061802	51020200	CGEX161213			12/16/2016					225.45	DR
6503	103100061802	51020200	CGEX161213			12/27/2016					268.22	DR
6503	103100061802	51020200	CGEX161222			12/27/2016					20.66	DR
OBJSUB: 5102020 OASI-EMPLOYER'S SHARE CGEX161129 CGEX161213 CGEX161222												
6503	103100061802	51020600	CGEX161129			12/02/2016					412.90	DR
6503	103100061802	51020600	CGEX161213			12/16/2016					700.23	DR
6503	103100061802	51020600	CGEX161213			12/16/2016					724.72	DR
OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE CGEX161129 CGEX161213 CGEX161222												
6503	103100061802	51020800	CGEX161129			12/02/2016					1,424.95	DR
6503	103100061802	51020800	CGEX161213			12/16/2016					3.81	DR
6503	103100061802	51020800	CGEX161213			12/16/2016					4.12	DR
6503	103100061802	51020800	CGEX161222			12/27/2016					.32	DR
OBJSUB: 5102080 WORKER'S COMPENSATION CGEX161129 CGEX161213 CGEX161222												
6503	103100061802	51020900	CGEX161129			12/02/2016					8.25	DR
6503	103100061802	51020900	CGEX161213			12/16/2016					1.23	DR
6503	103100061802	51020900	CGEX161213			12/16/2016					1.33	DR
6503	103100061802	51020900	CGEX161222			12/27/2016					.11	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION EMPLOYEE BENEFITS PERSONAL SERVICES CGEX161215												
6503	103100061802	52031500	CGEX161215			12/16/2016					2,363.10	DR
6503	103100061802	52032300	CGEX161215			12/16/2016					9,544.66	DR
6503	103100061802	52032300	CGEX161215			12/16/2016					56.00	DR
OBJSUB: 5203150 NON-TAXABLE MERALS/IN-ST CGEX161215 CGEX161215 CGEX161215												
6503	103100061802	52032300	CGEX161215			12/16/2016					55.44	DR
6503	103100061802	52032300	CGEX161215			12/16/2016					46.20	DR
OBJSUB: 5203230 AUTO-PRIV.(OUT-STATE) H/R												
6503	103100061802	52032300	CGEX161215			12/16/2016					101.64	DR

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 12/31/2016

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
AGENCY 10 LABOR & REGULATION BUDGET UNIT 1031 BOARD OF ACCOUNTANCY CENTER-5 10310 BOARD OF ACCOUNTANCY										
6503	103100061802	520332600	CGEX161215	12/16/2016	128015				590.20	DR
6503	103100061802	520332600	CGEX161215	12/16/2016	128016				540.70	DR
6503	103100061802	520332600	CGEX161215	12/16/2016	128014				502.70	DR
6503	103100061802	520332600	CGEX161215	12/16/2016	128013				492.70	DR
OBJSUB: 5203260 AIR-COMM-OUT-OF-STATE OBJECT: 5203280 CGEX161215 52032800 CGEX161215 520332800 CGEX161215										
6503	103100061802	520332800	CGEX161215	12/16/2016	128015				79.75	DR
6503	103100061802	520332800	CGEX161215	12/16/2016	128013				71.00	DR
6503	103100061802	520332800	CGEX161215	12/16/2016	128014				24.00	DR
OBJSUB: 5203300 OTHER-PUBLIC-OUT-OF-STATE OBJECT: 52033000 CGEX161215 520333000 CGEX161215 520333000 CGEX161215										
6503	103100061802	520333000	CGEX161215	12/16/2016	128016				174.75	DR
6503	103100061802	520333000	CGEX161215	12/16/2016	128013				950.28	DR
6503	103100061802	520333000	CGEX161215	12/16/2016	128015				950.28	DR
6503	103100061802	520333000	CGEX161215	12/16/2016	128014				950.28	DR
OBJSUB: 5203320 INCIDENTALS-OUT-OF-STATE OBJECT: 52033500 CGEX161215 52033500 CGEX161215 52033500 CGEX161215										
6503	103100061802	520335000	CGEX161215	12/16/2016	128015				99.00	DR
6503	103100061802	520335000	CGEX161215	12/16/2016	128013				80.00	DR
6503	103100061802	520335000	CGEX161215	12/16/2016	128015				59.00	DR
6503	103100061802	520335000	CGEX161215	12/16/2016	128016				59.00	DR
OBJSUB: 5203350 NON-TAXABLE MEALS/OUT-ST OBJECT: 5203 TRAVEL 52040100 4802830485										
6503	103100061802	520401000	4802830485	01/01/2017	00369616	CCHINC	12005063		198.00	DR
6503	103100061802	520401000	4802830485	01/01/2017	00369616	CCHINC	12005063		6,556.81	DR
6503	103100061802	520401000	4802830485	01/01/2017	00369616	CCHINC	12005063		259.83	DR
OBJSUB: 5204010 SUBSCRIPTIONS OBJECT: 5204180 DP711101 52042000 PL711057										
6503	103100061802	5204180	DP711101	01/01/2017					259.83	DR
6503	103100061802	5204180	DP711101	01/01/2017					140.55	DR
6503	103100061802	520420000	PL711057	01/01/2017					177.42	DR
OBJSUB: 5204200 CENTRAL SERVICES OBJECT: 5204220 TN347538 52042300 17-018 JUL-JUN17										
6503	103100061802	520422000	TN347538	12/14/2016	00366108	ABBUSINESS	12036980		177.42	DR
6503	103100061802	520422000	TN347538	12/14/2016	00366108	ABBUSINESS	12036980		74.21	DR
OBJSUB: 5204230 JANTORIAL & MAINT SERV OBJECT: 5204460 N6253850 52044900 EQUIPMENT RENTAL										
6503	103100061802	520442300	17-018 JUL-JUN17	12/27/2016	00369389	SUNGETOFFI	12043890		130.34	DR
6503	103100061802	520442300	17-018 JUL-JUN17	12/27/2016	00369389	SUNGETOFFI	12043890		74.21	DR
6503	103100061802	520446000	N6253850	01/01/2017	02188183	MAINTFINANC	12219369		130.34	DR
6503	103100061802	520446000	N6253850	01/01/2017	02188183	MAINTFINANC	12219369		603.00	DR
OBJSUB: 5204490 RENTS-PRIVATE OWNED PROP. OBJECT: 5204490 RENTS-PRIVATE OWNED PROP.										
6503	103100061802	520449000	ACCOUNTRENT2017	01/01/2017	02187829	MCGINNISRO	12074040		1,269.45	DR
6503	103100061802	520449000	ACCOUNTRENT2017	01/01/2017	02187829	MCGINNISRO	12074040		603.00	DR
6503	103100061802	520449000	ACCOUNTRENT2017	01/01/2017	02187829	MCGINNISRO	12074040		1,269.45	DR



AGENCY BUDGET CENTER	UNIT	LABOR & REGULATION BOARD OF ACCOUNTANCY BOARD OF ACCOUNTANCY	DOCUMENT NUMBER	POSTING DATE	JV OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
103100061802	52045300	TELECOMMUNICATIONS SVCS	5159417006 1116	12/14/2016	02185860	XCELENERGY	12023853		55.92	DR *
103100061802	52045400	ELECTRICITY	C1107A-024	12/07/2016	281197				116.04	DR *
103100061802	52047400	BANK FEES AND CHARGES	13736435	12/09/2016	00365136	NATLASSNST	12005047		8,573.20	DR
103100061802	52049600	CONTRACTUAL SERVICES	CGEX161215	12/16/2016	128013				36.17	DR *
103100061802	52053500	POSTAGE SUPPLIES & MATERIALS	T107-051	12/27/2016					522.39	DR *
103100061802	52280000	OPER TRANS OUT -NON BUDGT							522.39	DR **
103100061802	5228	NONOP EXP/NONBGTD OP TR							24,168.53	DR ***
103100061802	52	OPERATING EXPENSES							33,713.19	DR ****
103100061802	6503								33,713.19	DR *****
103100061802	1031								33,713.19	DR *****

**South Dakota Board of Accountancy**  
**Balance Sheet**  
As of December 31, 2016

	Dec 31, 16
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1130000 · Local Checking - Great Western	4,109.73
1140000 · Pool Cash State of SD	461,973.78
<b>Total Checking/Savings</b>	466,083.51
<b>Other Current Assets</b>	
1131000 · Interest Income Receivable	8,148.45
1213000 · Investment Income Receivable	1,149.12
<b>Total Other Current Assets</b>	9,297.57
<b>Total Current Assets</b>	475,381.08
<b>Fixed Assets</b>	
1670000 · Computer Software	
Original Cost	140,063.23
1770000 · Depreciation	-140,063.23
<b>Total 1670000 · Computer Software</b>	0.00
<b>Total Fixed Assets</b>	0.00
<b>TOTAL ASSETS</b>	<b>475,381.08</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2110000 · Accounts Payable	6,123.05
<b>Total Accounts Payable</b>	6,123.05
<b>Other Current Liabilities</b>	
2430000 · Accrued Wages Payable	7,530.77
2810000 · Amounts Held for Others	30,632.69
<b>Total Other Current Liabilities</b>	38,163.46
<b>Total Current Liabilities</b>	44,286.51
<b>Long Term Liabilities</b>	
2960000 · Compensated Absences Payable	17,470.51
<b>Total Long Term Liabilities</b>	17,470.51
<b>Total Liabilities</b>	61,757.02
<b>Equity</b>	
3220000 · Unrestricted Net Assets	263,036.79
3900 · Retained Earnings	39,487.23
Net Income	111,100.04
<b>Total Equity</b>	413,624.06
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>475,381.08</b>

# South Dakota Board of Accountancy

## Profit & Loss Budget vs. Actual

July through December 2016

	Jul - Dec 16	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	2,000.00	2,800.00	-800.00	71.4%
4293551 · Certificate Renewals-Active	59,400.00	58,000.00	1,400.00	102.4%
4293552 · Certificate Renewals-Inactive	19,700.00	21,000.00	-1,300.00	93.8%
4293553 · Certificate Renewals-Retired	1,200.00	1,000.00	200.00	120.0%
4293554 · Initial Firm Permits	500.00	700.00	-200.00	71.4%
4293555 · Firm Permit Renewals	13,500.00	15,500.00	-2,000.00	87.1%
4293557 · Initial Audit	210.00	900.00	-690.00	23.3%
4293558 · Re-Exam Audit	1,230.00	2,460.00	-1,230.00	50.0%
4293560 · Late Fees-Initial Certificate	100.00	0.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,650.00	3,000.00	-350.00	88.3%
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	400.00	600.00	-200.00	66.7%
4293564 · Late Fees-Peer Review	350.00	1,300.00	-950.00	26.9%
4293566 · Firm Permit Owners				
5208003 · REFUNDS	-20.00			
4293566 · Firm Permit Owners - Other	104,535.00	105,000.00	-465.00	99.6%
<b>Total 4293566 · Firm Permit Owners</b>	<b>104,515.00</b>	<b>105,000.00</b>	<b>-485.00</b>	<b>99.5%</b>
4293567 · Peer Review Admin Fee	375.00	5,650.00	-5,275.00	6.6%
4293568 · Firm Permit Name Change	150.00	100.00	50.00	150.0%
4293569 · Initial FAR	480.00	1,140.00	-660.00	42.1%
4293570 · Initial REG	360.00	660.00	-300.00	54.5%
4293571 · Inital BEC	540.00	930.00	-390.00	58.1%
4293572 · Re-Exam FAR	990.00	1,860.00	-870.00	53.2%
4293573 · Re-Exam REG	1,350.00	2,310.00	-960.00	58.4%
4293574 · Re-Exam BEC	1,110.00	2,310.00	-1,200.00	48.1%
4491000 · Interest and Dividend Revenue	5,466.12	4,000.00	1,466.12	136.7%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
<b>Total Income</b>	<b>216,576.12</b>	<b>232,220.00</b>	<b>-15,643.88</b>	<b>93.3%</b>
<b>Gross Profit</b>	<b>216,576.12</b>	<b>232,220.00</b>	<b>-15,643.88</b>	<b>93.3%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	28,701.05	76,588.00	-47,886.95	37.5%
5101020 · P-T/Temp Emp Sal & Wages	11,756.14	31,035.00	-19,278.86	37.9%
5101030 · Board & Comm Mbrs Fees	3,120.00	4,683.00	-1,563.00	66.6%
5102010 · OASI-Employer's Share	2,982.41	8,281.00	-5,298.59	36.0%
5102020 · Retirement-ER Share	2,427.42	6,495.00	-4,067.58	37.4%
5102060 · Health /Life Ins.-ER Share	8,611.52	20,968.00	-12,356.48	41.1%
5102080 · Worker's Compensation	48.48	43.00	5.48	112.7%
5102090 · Unemployment Insurance	15.68	108.00	-92.32	14.5%
5203010 · Auto--State Owned	111.55	800.00	-688.45	13.9%
5203020 · Auto-Private-Ownes Low Mileage	364.78	400.00	-35.22	91.2%
5203030 · In State-Auto- Priv. High Miles	881.16	1,500.00	-618.84	58.7%
5203100 · In State-Lodging	564.10	1,000.00	-435.90	56.4%
5203120 · In State-Incidentals to Travel	25.00	100.00	-75.00	25.0%
5203140 · InState-Tax Meals Not OverNigt	11.00	100.00	-89.00	11.0%
5203150 · InState-Non-Tax Meals OverNight	240.00	400.00	-160.00	60.0%
5203230 · OS-Auto Private High Mileage	335.16	100.00	235.16	335.2%
5203260 · OS-Air Commercial Carrier	4,291.90	6,000.00	-1,708.10	71.5%
5203280 · OS-Other Public Carrier	432.10	500.00	-67.90	86.4%
5203300 · OS-Lodging	5,856.27	7,800.00	-1,943.73	75.1%
5203320 · OS-Incidentals to Travel	329.00	450.00	-121.00	73.1%
5203350 · OS-Non-Taxable Meals Overnight	551.00	1,300.00	-749.00	42.4%
5204010 · Subscriptions	259.83	1,000.00	-740.17	26.0%
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	7,100.00	-7,100.00	0.0%
5204050 · Consultant Fees - Computer	0.00	15,000.00	-15,000.00	0.0%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	2,780.00	6,000.00	-3,220.00	46.3%
5204180 · Computer Services-State	2,186.25	6,000.00	-3,813.75	36.4%
5204181 · Computer Development Serv-State	0.00	5,000.00	-5,000.00	0.0%

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
 July through December 2016

	Jul - Dec 16	Budget	\$ Over Budget	% of Budget
5204200 · Central Services	3,726.93	9,000.00	-5,273.07	41.4%
5204220 · Equipment Service & Maintenance	19.58	300.00	-280.42	6.5%
5204230 · Janitorial/Maintenance Services	782.04	1,600.00	-817.96	48.9%
5204340 · Computer Software Maintenance	0.00	2,000.00	-2,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	1,000.00	-1,000.00	0.0%
5204440 · Newsletter Publishing	0.00	100.00	-100.00	0.0%
5204460 · Equipment Rental	1,632.00	4,000.00	-2,368.00	40.8%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	7,616.70	15,234.00	-7,617.30	50.0%
5204510 · Rent-Other	318.04	500.00	-181.96	63.6%
5204530 · Telecommunications Services	1,498.37	3,500.00	-2,001.63	42.8%
5204540 · Electricity	316.32	865.00	-548.68	36.6%
5204560 · Water	44.70	240.00	-195.30	18.6%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204740 · Bank Fees and Charges	4,489.51	6,000.00	-1,510.49	74.8%
5204960 · Other Contractual Services	456.00	0.00	456.00	100.0%
5205020 · Office Supplies	512.63	2,000.00	-1,487.37	25.6%
5205028 · OFFICE SUPPLIES-2	0.00	0.00	0.00	0.0%
5205028 · OFFICE SUPPLIES-2	0.00	500.00	-500.00	0.0%
5205310 · Printing State	0.00	0.00	0.00	0.0%
5205320 · Printing/Duplicating/Binding Co	113.85	1,000.00	-886.15	11.4%
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	1,036.17	2,500.00	-1,463.83	41.4%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207900 · Computer Hardware	0.00	4,800.00	-4,800.00	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	500.00	-500.00	0.0%
5228000 · Operating Transfers Out-NonBudg	2,831.44	7,400.00	-4,568.56	38.3%
<b>Total Expense</b>	<b>105,476.08</b>	<b>280,000.00</b>	<b>-174,523.92</b>	<b>37.7%</b>
<b>Net Ordinary Income</b>	<b>111,100.04</b>	<b>-47,780.00</b>	<b>158,880.04</b>	<b>-232.5%</b>
<b>Net Income</b>	<b>111,100.04</b>	<b>-47,780.00</b>	<b>158,880.04</b>	<b>-232.5%</b>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
December 2016

	<u>Dec 16</u>	<u>Dec 15</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	450.00	200.00	250.00	125.0%
4293554 · Initial Firm Permits	50.00	50.00	0.00	0.0%
4293555 · Firm Permit Renewals	50.00	0.00	50.00	100.0%
4293557 · Initial Audit	30.00	30.00	0.00	0.0%
4293558 · Re-Exam Audit	180.00	180.00	0.00	0.0%
4293564 · Late Fees-Peer Review	0.00	100.00	-100.00	-100.0%
4293566 · Firm Permit Owners	910.00	585.00	325.00	55.6%
4293567 · Peer Review Admin Fee	75.00	225.00	-150.00	-66.7%
4293569 · Initial FAR	60.00	30.00	30.00	100.0%
4293570 · Initial REG	60.00	30.00	30.00	100.0%
4293571 · Initial BEC	120.00	30.00	90.00	300.0%
4293572 · Re-Exam FAR	60.00	180.00	-120.00	-66.7%
4293573 · Re-Exam REG	270.00	390.00	-120.00	-30.8%
4293574 · Re-Exam BEC	120.00	180.00	-60.00	-33.3%
<b>Total Income</b>	<u>2,435.00</u>	<u>2,210.00</u>	<u>225.00</u>	<u>10.2%</u>
<b>Gross Profit</b>	2,435.00	2,210.00	225.00	10.2%
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	4,689.38	4,442.12	247.26	5.6%
5101020 · P-T/Temp Emp Sal & Wages	2,192.18	2,160.89	31.29	1.5%
5101030 · Board & Comm Mbrs Fees	300.00	0.00	300.00	100.0%
5102010 · OASI-Employer's Share	514.33	434.93	79.40	18.3%
5102020 · Retirement-ER Share	412.90	396.18	16.72	4.2%
5102060 · Health /Life Ins.-ER Share	1,424.95	1,138.02	286.93	25.2%
5102080 · Worker's Compensation	8.25	5.28	2.97	56.3%
5102090 · Unemployment Insurance	2.67	2.55	0.12	4.7%
5204050 · Consultant Fees - Computer	0.00	2,607.50	-2,607.50	-100.0%
5204180 · Computer Services-State	0.00	97.05	-97.05	-100.0%
5204200 · Central Services	177.42	131.93	45.49	34.5%
5204220 · Equipment Service & Maintenance	3.21	1.76	1.45	82.4%
5204230 · Janitorial/Maintenance Services	130.34	126.55	3.79	3.0%
5204460 · Equipment Rental	71.00	71.00	0.00	0.0%
5204490 · Rents Privately Owned Property	1,269.45	1,269.45	0.00	0.0%
5204530 · Telecommunications Services	151.22	270.17	-118.95	-44.0%
5204540 · Electricity	65.07	54.95	10.12	18.4%
5204740 · Bank Fees and Charges	116.04	107.05	8.99	8.4%
5205020 · Office Supplies	233.02	28.71	204.31	711.6%
5205320 · Printing/Duplicating/Binding Co	6.90	17.25	-10.35	-60.0%
5207900 · Computer Hardware	0.00	2,698.12	-2,698.12	-100.0%
5207960 · Computer Software Expense	0.00	816.00	-816.00	-100.0%
5228000 · Operating Transfers Out-NonBudg	522.39	189.44	332.95	175.8%
<b>Total Expense</b>	<u>12,290.72</u>	<u>17,066.90</u>	<u>-4,776.18</u>	<u>-28.0%</u>
<b>Net Ordinary Income</b>	<u>-9,855.72</u>	<u>-14,856.90</u>	<u>5,001.18</u>	<u>33.7%</u>
<b>Net Income</b>	<u><u>-9,855.72</u></u>	<u><u>-14,856.90</u></u>	<u><u>5,001.18</u></u>	<u><u>33.7%</u></u>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
 July through December 2016

	Jul - Dec 16	Jul - Dec 15	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	2,000.00	1,275.00	725.00	56.9%
4293551 · Certificate Renewals-Active	59,400.00	60,200.00	-800.00	-1.3%
4293552 · Certificate Renewals-Inactive	19,700.00	20,050.00	-350.00	-1.8%
4293553 · Certificate Renewals-Retired	1,200.00	1,040.00	160.00	15.4%
4293554 · Initial Firm Permits	500.00	150.00	350.00	233.3%
4293555 · Firm Permit Renewals	13,500.00	13,650.00	-150.00	-1.1%
4293557 · Initial Audit	210.00	390.00	-180.00	-46.2%
4293558 · Re-Exam Audit	1,230.00	1,170.00	60.00	5.1%
4293560 · Late Fees-Initial Certificate	100.00	0.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,650.00	2,900.00	-250.00	-8.6%
4293563 · Late Fees-Firm Permit Renewals	400.00	400.00	0.00	0.0%
4293564 · Late Fees-Peer Review	350.00	350.00	0.00	0.0%
4293566 · Firm Permit Owners	104,515.00	93,585.00	10,930.00	11.7%
4293567 · Peer Review Admin Fee	375.00	375.00	0.00	0.0%
4293568 · Firm Permit Name Change	150.00	100.00	50.00	50.0%
4293569 · Initial FAR	480.00	450.00	30.00	6.7%
4293570 · Initial REG	360.00	240.00	120.00	50.0%
4293571 · Initial BEC	540.00	300.00	240.00	80.0%
4293572 · Re-Exam FAR	990.00	960.00	30.00	3.1%
4293573 · Re-Exam REG	1,350.00	1,320.00	30.00	2.3%
4293574 · Re-Exam BEC	1,110.00	1,140.00	-30.00	-2.6%
4491000 · Interest and Dividend Revenue	5,466.12	4,714.96	751.16	15.9%
4896021 · Legal Recovery Cost	0.00	200.00	-200.00	-100.0%
<b>Total Income</b>	<b>216,576.12</b>	<b>204,959.96</b>	<b>11,616.16</b>	<b>5.7%</b>
<b>Gross Profit</b>	<b>216,576.12</b>	<b>204,959.96</b>	<b>11,616.16</b>	<b>5.7%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	28,701.05	27,741.14	959.91	3.5%
5101020 · P-T/Temp Emp Sal & Wages	11,756.14	12,036.37	-280.23	-2.3%
5101030 · Board & Comm Mbrs Fees	3,120.00	2,040.00	1,080.00	52.9%
5102010 · OASI-Employer's Share	2,982.41	2,879.02	103.39	3.6%
5102020 · Retirement-ER Share	2,427.42	2,368.17	59.25	2.5%
5102060 · Health /Life Ins.-ER Share	8,611.52	7,627.29	984.23	12.9%
5102080 · Worker's Compensation	48.48	31.72	16.76	52.8%
5102090 · Unemployment Insurance	15.68	15.52	0.16	1.0%
5203010 · Auto--State Owned	111.55	78.65	32.90	41.8%
5203020 · Auto-Private-Ownes Low Mileage	364.78	103.96	260.82	250.9%
5203030 · In State-Auto- Priv. High Miles	881.16	1,108.80	-227.64	-20.5%
5203100 · In State-Lodging	564.10	319.60	244.50	76.5%
5203120 · In State-Incidentals to Travel	25.00	20.00	5.00	25.0%
5203140 · InState-Tax Meals Not OverNigt	11.00	11.00	0.00	0.0%
5203150 · InState-Non-Tax Meals OverNigt	240.00	268.00	-28.00	-10.5%
5203230 · OS-Auto Private High Mileage	335.16	0.00	335.16	100.0%
5203260 · OS-Air Commercial Carrier	4,291.90	1,190.40	3,101.50	260.5%
5203280 · OS-Other Public Carrier	432.10	124.00	308.10	248.5%
5203300 · OS-Lodging	5,856.27	1,730.46	4,125.81	238.4%
5203320 · OS-Incidentals to Travel	329.00	158.00	171.00	108.2%
5203350 · OS-Non-Taxable Meals Overnight	551.00	234.00	317.00	135.5%
5204010 · Subscriptions	259.83	208.98	50.85	24.3%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204050 · Consultant Fees - Computer	0.00	10,607.50	-10,607.50	-100.0%
5204160 · Workshop Registration Fees	2,780.00	1,390.00	1,390.00	100.0%
5204180 · Computer Services-State	2,186.25	628.80	1,557.45	247.7%
5204181 · Computer Development Serv-State	0.00	1,312.85	-1,312.85	-100.0%
5204200 · Central Services	3,726.93	3,432.24	294.69	8.6%
5204220 · Equipment Service & Maintenance	19.58	13.26	6.32	47.7%
5204230 · Janitorial/Maintenance Services	782.04	759.30	22.74	3.0%
5204340 · Computer Software Maintenance	0.00	614.50	-614.50	-100.0%
5204460 · Equipment Rental	1,632.00	1,632.00	0.00	0.0%
5204490 · Rents Privately Owned Property	7,616.70	7,616.70	0.00	0.0%
5204510 · Rent-Other	318.04	248.80	69.24	27.8%
5204530 · Telecommunications Services	1,498.37	1,624.12	-125.75	-7.7%
5204540 · Electricity	316.32	256.92	59.40	23.1%

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
 July through December 2016

	<u>Jul - Dec 16</u>	<u>Jul - Dec 15</u>	<u>\$ Change</u>	<u>% Change</u>
5204560 · Water	44.70	44.70	0.00	0.0%
5204740 · Bank Fees and Charges	4,489.51	4,135.13	354.38	8.6%
5204960 · Other Contractual Services	456.00	0.00	456.00	100.0%
5205020 · Office Supplies	512.63	620.29	-107.66	-17.4%
5205320 · Printing/Duplicating/Binding Co	113.85	100.05	13.80	13.8%
5205350 · Postage	1,036.17	0.00	1,036.17	100.0%
5207900 · Computer Hardware	0.00	2,783.12	-2,783.12	-100.0%
5207960 · Computer Software Expense	0.00	816.00	-816.00	-100.0%
5228000 · Operating Transfers Out-NonBudg	2,831.44	1,968.96	862.48	43.8%
<b>Total Expense</b>	<u>105,476.08</u>	<u>104,100.32</u>	<u>1,375.76</u>	<u>1.3%</u>
<b>Net Ordinary Income</b>	<u>111,100.04</u>	<u>100,859.64</u>	<u>10,240.40</u>	<u>10.2%</u>
<b>Net Income</b>	<u><u>111,100.04</u></u>	<u><u>100,859.64</u></u>	<u><u>10,240.40</u></u>	<u><u>10.2%</u></u>

BAL409R1

STATE OF SOUTH DAKOTA  
CASH CENTER BALANCES  
AS OF: 11/30/2016

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	482,612.64	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL			482,612.64	DR *	
COMP/BUDG UNIT TOTAL			482,612.64	DR **	
BUDGET UNIT TOTAL			482,612.64	DR ***	



STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 11/30/2016

AGENCY BUDGET CENTER-5	UNIT 10310	LABOR & REGULATION BOARD OF ACCOUNTANCY BOARD OF ACCOUNTANCY	COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPVL OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
COMPANY NO 6503													
COMPANY NAME PROFESSIONAL & LICENSING BOARDS													
6503	1031000061802	51010100				CGEX161026	11/02/2016					2,036.80	DR
6503	1031000061802	51010100				CGEX161114	11/16/2016					2,514.94	DR
6503	1031000061802	51010100				CGEX161123	11/25/2016					130.00	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES													
6503	1031000061802	51010200				CGEX161026	11/02/2016					4,681.74	DR
6503	1031000061802	51010200				CGEX161114	11/16/2016					880.19	DR
OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES													
6503	1031000061802	51010300				CGEX161114	11/16/2016					1,129.36	DR
OBJSUB: 5101030 BOARD & COMM MBR'S FEES													
6503	1031000061802	51020100				CGEX161026	11/02/2016					960.00	DR
6503	1031000061802	51020100				CGEX161114	11/16/2016					7,651.29	DR
6503	1031000061802	51020100				CGEX161114	11/16/2016					192.34	DR
6503	1031000061802	51020100				CGEX161123	11/25/2016					334.81	DR
OBJSUB: 5102010 OASI-EMPLOYER'S SHARE													
6503	1031000061802	51020200				CGEX161026	11/02/2016					537.09	DR
6503	1031000061802	51020200				CGEX161114	11/16/2016					175.02	DR
6503	1031000061802	51020200				CGEX161123	11/25/2016					218.66	DR
OBJSUB: 5102020 RETIREMENT-ER SHARE													
6503	1031000061802	51020600				CGEX161026	11/02/2016					401.48	DR
6503	1031000061802	51020600				CGEX161114	11/16/2016					698.92	DR
OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE													
6503	1031000061802	51020800				CGEX161026	11/02/2016					1,407.06	DR
6503	1031000061802	51020800				CGEX161114	11/16/2016					3.50	DR
6503	1031000061802	51020800				CGEX161123	11/25/2016					4.37	DR
OBJSUB: 5102080 WORKER'S COMPENSATION													
6503	1031000061802	51020900				CGEX161026	11/02/2016					8.03	DR
6503	1031000061802	51020900				CGEX161114	11/16/2016					1.13	DR
6503	1031000061802	51020900				CGEX161123	11/25/2016					1.41	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION													
6503	1031000061802	52030100				MP708051	11/09/2016					2.59	DR
OBJSUB: 5203010 AUTO-STATE OWNED-IN STATE TRAVEL													
6503	1031000061802	52041800				DP709100	11/02/2016					2,356.25	DR
6503	1031000061802	52041800				DP710102	11/18/2016					10,007.54	DR
6503	1031000061802	52041800				DP710102	11/18/2016					111.55	DR
OBJSUB: 5203 PERSONAL SERVICES													
6503	1031000061802	52041800				DP710102	11/18/2016					111.55	DR
OBJSUB: 5203 AUTO-STATE OWNED-IN STATE TRAVEL													
6503	1031000061802	52041800				DP709100	11/02/2016					111.55	DR
6503	1031000061802	52041800				DP710102	11/18/2016					1,064.55	DR
6503	1031000061802	52041800				DP710102	11/18/2016					796.05	DR

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 11/30/2016

AGENCY BUDGET CENTER	UNIT	LABOR & REGULATION BOARD OF ACCOUNTANCY	COMP CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JY APPL. #	OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
10	1031	10	OBJSUB: 5204180	COMPUTER SERVICES-STATE								1,860.60	DR *
			103100061802	FM709070	11/30/2016							1,485.89	DR
			6503	103100061802	PL709059	11/04/2016						206.66	DR
			6503	103100061802	PL710058	11/30/2016						119.77	DR
			6503	103100061802	52042000							1,812.32	DR *
			OBJSUB: 5204200	CENTRAL SERVICES								73.80	DR
			103100061802	IN339322	11/16/2016				ABBUSTINESS	12036980		73.80	DR *
			6503	103100061802	5204220							130.34	DR
			OBJSUB: 5204220	EQUIPMENT SERV & MAINT								130.34	DR
			103100061802	17-018 JUL-JUN17	11/30/2016				SUNSETOFFI	12043890		130.34	DR
			6503	103100061802	5204230							1,269.45	DR *
			OBJSUB: 5204230	JANITORIAL & MAINT SERV								1,269.45	DR *
			103100061802	ACCOUNTRENT2017	11/30/2016				MCGINNISRO	12074040		1,269.45	DR *
			6503	103100061802	5204490							1,269.45	DR *
			OBJSUB: 5204490	RENTS-PRIVATE OWNED PROP.								138.62	DR
			103100061802	TR710153	11/16/2016							95.00	DR
			6503	103100061802	5204530							56.22	DR
			103100061802	8381416X10242016	11/04/2016				MIDCONTINE	12023782		289.84	DR *
			6503	103100061802	5204530				ATTMOBILIT	12279233		57.22	DR
			OBJSUB: 5204530	TELECOMMUNICATIONS SRVCS								57.22	DR
			103100061802	5159417006 1016	11/04/2016				XCELENERGY	12023853		22.35	DR *
			6503	103100061802	5204540							104.07	DR *
			OBJSUB: 5204540	ELECTRICITY								104.07	DR *
			103100061802	68332 OCT16	11/16/2016				ECOWATER	12035896		22.35	DR *
			6503	103100061802	5204740							104.07	DR *
			OBJSUB: 5204740	WATER								5,619.99	DR **
			103100061802	CI107A-021	11/16/2016							34.50	DR **
			6503	103100061802	5205320							237.32	DR **
			OBJSUB: 5205320	BANK FEES AND CHARGES								237.32	DR **
			103100061802	CONTRACTUAL SERVICES	11/16/2016				BUSINESSPR	12003048		34.50	DR **
			6503	103100061802	5228000							237.32	DR **
			OBJSUB: 5205320	PRINTING-COMMERCIAL								237.32	DR **
			103100061802	SUPPLIES & MATERIALS	11/09/2016							237.32	DR **
			6503	103100061802	5228000							6,003.36	DR ****
			OBJSUB: 5228000	OPER TRANS OUT -NON BUDGT								16,010.90	DR ****
			103100061802	MONOP EXP/NONBGTD OP TR								16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802									16,010.90	DR ****
			6503	103100061802	5228000							16,010.90	DR ****
			OBJSUB: 5228000	OPERATING EXPENSES								16,010.90	DR ****
			103100061802										

**South Dakota Board of Accountancy**  
**Balance Sheet**  
As of November 30, 2016

	Nov 30, 16
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
1130000 · Local Checking - Great Western	3,351.78
1140000 · Pool Cash State of SD	482,612.64
<b>Total Checking/Savings</b>	485,964.42
<b>Other Current Assets</b>	
1131000 · Interest Income Receivable	8,148.45
1213000 · Investment Income Receivable	1,149.12
<b>Total Other Current Assets</b>	9,297.57
<b>Total Current Assets</b>	495,261.99
<b>Fixed Assets</b>	
1670000 · Computer Software	
Original Cost	140,063.23
1770000 · Depreciation	-140,063.23
<b>Total 1670000 · Computer Software</b>	0.00
<b>Total Fixed Assets</b>	0.00
<b>TOTAL ASSETS</b>	495,261.99
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
2110000 · Accounts Payable	21,369.04
<b>Total Accounts Payable</b>	21,369.04
<b>Other Current Liabilities</b>	
2430000 · Accrued Wages Payable	7,530.77
2810000 · Amounts Held for Others	25,411.89
<b>Total Other Current Liabilities</b>	32,942.66
<b>Total Current Liabilities</b>	54,311.70
<b>Long Term Liabilities</b>	
2960000 · Compensated Absences Payable	17,470.51
<b>Total Long Term Liabilities</b>	17,470.51
<b>Total Liabilities</b>	71,782.21
<b>Equity</b>	
3220000 · Unrestricted Net Assets	263,036.79
3900 · Retained Earnings	39,487.23
Net Income	120,955.76
<b>Total Equity</b>	423,479.78
<b>TOTAL LIABILITIES &amp; EQUITY</b>	495,261.99

# South Dakota Board of Accountancy

## Profit & Loss Budget vs. Actual

### July through November 2016

	Jul - Nov 16	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	1,550.00	2,800.00	-1,250.00	55.4%
4293551 · Certificate Renewals-Active	59,400.00	58,000.00	1,400.00	102.4%
4293552 · Certificate Renewals-Inactive	19,700.00	21,000.00	-1,300.00	93.8%
4293553 · Certificate Renewals-Retired	1,200.00	1,000.00	200.00	120.0%
4293554 · Initial Firm Permits	450.00	700.00	-250.00	64.3%
4293555 · Firm Permit Renewals	13,450.00	15,500.00	-2,050.00	86.8%
4293557 · Initial Audit	180.00	900.00	-720.00	20.0%
4293558 · Re-Exam Audit	1,050.00	2,460.00	-1,410.00	42.7%
4293560 · Late Fees-Initial Certificate	100.00	0.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,650.00	3,000.00	-350.00	88.3%
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	400.00	600.00	-200.00	66.7%
4293564 · Late Fees-Peer Review	350.00	1,300.00	-950.00	26.9%
4293566 · Firm Permit Owners				
5208003 · REFUNDS	-20.00			
4293566 · Firm Permit Owners - Other	103,625.00	105,000.00	-1,375.00	98.7%
<b>Total 4293566 · Firm Permit Owners</b>	<b>103,605.00</b>	<b>105,000.00</b>	<b>-1,395.00</b>	<b>98.7%</b>
4293567 · Peer Review Admin Fee	300.00	5,650.00	-5,350.00	5.3%
4293568 · Firm Permit Name Change	150.00	100.00	50.00	150.0%
4293569 · Initial FAR	420.00	1,140.00	-720.00	36.8%
4293570 · Initial REG	300.00	660.00	-360.00	45.5%
4293571 · Initial BEC	420.00	930.00	-510.00	45.2%
4293572 · Re-Exam FAR	930.00	1,860.00	-930.00	50.0%
4293573 · Re-Exam REG	1,080.00	2,310.00	-1,230.00	46.8%
4293574 · Re-Exam BEC	990.00	2,310.00	-1,320.00	42.9%
4491000 · Interest and Dividend Revenue	5,466.12	4,000.00	1,466.12	136.7%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
<b>Total Income</b>	<b>214,141.12</b>	<b>232,220.00</b>	<b>-18,078.88</b>	<b>92.2%</b>
<b>Gross Profit</b>	<b>214,141.12</b>	<b>232,220.00</b>	<b>-18,078.88</b>	<b>92.2%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	24,011.67	76,588.00	-52,576.33	31.4%
5101020 · P-T/Temp Emp Sal & Wages	9,563.96	31,035.00	-21,471.04	30.8%
5101030 · Board & Comm Mbrs Fees	2,820.00	4,683.00	-1,863.00	60.2%
5102010 · OASI-Employer's Share	2,468.08	8,281.00	-5,812.92	29.8%
5102020 · Retirement-ER Share	2,014.52	6,495.00	-4,480.48	31.0%
5102060 · Health /Life Ins.-ER Share	7,186.57	20,968.00	-13,781.43	34.3%
5102080 · Worker's Compensation	40.23	43.00	-2.77	93.6%
5102090 · Unemployment Insurance	13.01	108.00	-94.99	12.0%
5203010 · Auto--State Owned	111.55	800.00	-688.45	13.9%
5203020 · Auto-Private-Ownees Low Mileage	364.78	400.00	-35.22	91.2%
5203030 · In State-Auto- Priv. High Miles	881.16	1,500.00	-618.84	58.7%
5203100 · In State-Lodging	564.10	1,000.00	-435.90	56.4%
5203120 · In State-Incidentals to Travel	25.00	100.00	-75.00	25.0%
5203140 · InState-Tax Meals Not Overnigt	11.00	100.00	-89.00	11.0%
5203150 · InState-Non-Tax Meals OverNight	240.00	400.00	-160.00	60.0%
5203230 · OS-Auto Private High Mileage	335.16	100.00	235.16	335.2%
5203260 · OS-Air Commercial Carrier	4,291.90	6,000.00	-1,708.10	71.5%
5203280 · OS-Other Public Carrier	432.10	500.00	-67.90	86.4%
5203300 · OS-Lodging	5,856.27	7,800.00	-1,943.73	75.1%
5203320 · OS-Incidentals to Travel	329.00	450.00	-121.00	73.1%
5203350 · OS-Non-Taxable Meals Overnight	551.00	1,300.00	-749.00	42.4%
5204010 · Subscriptions	259.83	1,000.00	-740.17	26.0%
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	7,100.00	-7,100.00	0.0%
5204050 · Consultant Fees - Computer	0.00	15,000.00	-15,000.00	0.0%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	2,780.00	6,000.00	-3,220.00	46.3%
5204180 · Computer Services-State	2,186.25	6,000.00	-3,813.75	36.4%
5204181 · Computer Development Serv-State	0.00	5,000.00	-5,000.00	0.0%

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
 July through November 2016

	Jul - Nov 16	Budget	\$ Over Budget	% of Budget
5204200 · Central Services	3,549.51	9,000.00	-5,450.49	39.4%
5204220 · Equipment Service & Maintenance	16.37	300.00	-283.63	5.5%
5204230 · Janitorial/Maintenance Services	651.70	1,600.00	-948.30	40.7%
5204340 · Computer Software Maintenance	0.00	2,000.00	-2,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	1,000.00	-1,000.00	0.0%
5204440 · Newsletter Publishing	0.00	100.00	-100.00	0.0%
5204460 · Equipment Rental	1,561.00	4,000.00	-2,439.00	39.0%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	6,347.25	15,234.00	-8,886.75	41.7%
5204510 · Rent-Other	318.04	500.00	-181.96	63.6%
5204530 · Telecommunications Services	1,347.15	3,500.00	-2,152.85	38.5%
5204540 · Electricity	251.25	865.00	-613.75	29.0%
5204560 · Water	44.70	240.00	-195.30	18.6%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204740 · Bank Fees and Charges	4,373.47	6,000.00	-1,626.53	72.9%
5204960 · Other Contractual Services	456.00	0.00	456.00	100.0%
5205020 · Office Supplies	279.61	2,000.00	-1,720.39	14.0%
5205028 · OFFICE SUPPLIES-2	0.00	0.00	0.00	0.0%
5205310 · Printing State	0.00	500.00	-500.00	0.0%
5205320 · Printing/Duplicating/Binding Co	106.95	1,000.00	-893.05	10.7%
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	1,036.17	2,500.00	-1,463.83	41.4%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207900 · Computer Hardware	0.00	4,800.00	-4,800.00	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	500.00	-500.00	0.0%
5228000 · Operating Transfers Out-NonBudg	2,309.05	7,400.00	-5,090.95	31.2%
<b>Total Expense</b>	<b>93,185.36</b>	<b>280,000.00</b>	<b>-186,814.64</b>	<b>33.3%</b>
<b>Net Ordinary Income</b>	<b>120,955.76</b>	<b>-47,780.00</b>	<b>168,735.76</b>	<b>-253.2%</b>
<b>Net Income</b>	<b>120,955.76</b>	<b>-47,780.00</b>	<b>168,735.76</b>	<b>-253.2%</b>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
November 2016

	Nov 16	Nov 15	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	150.00	250.00	-100.00	-40.0%
4293552 · Certificate Renewals-Inactive	450.00	0.00	450.00	100.0%
4293554 · Initial Firm Permits	50.00	50.00	0.00	0.0%
4293555 · Firm Permit Renewals	0.00	50.00	-50.00	-100.0%
4293557 · Initial Audit	30.00	30.00	0.00	0.0%
4293558 · Re-Exam Audit	210.00	120.00	90.00	75.0%
4293561 · Late Fees-Certificate Renewals	450.00	0.00	450.00	100.0%
4293563 · Late Fees-Firm Permit Renewals	0.00	50.00	-50.00	-100.0%
4293564 · Late Fees-Peer Review	0.00	50.00	-50.00	-100.0%
4293566 · Firm Permit Owners	1,500.00	1,565.00	-65.00	-4.2%
4293567 · Peer Review Admin Fee	75.00	0.00	75.00	100.0%
4293568 · Firm Permit Name Change	50.00	25.00	25.00	100.0%
4293569 · Initial FAR	120.00	60.00	60.00	100.0%
4293570 · Initial REG	60.00	30.00	30.00	100.0%
4293571 · Inital BEC	210.00	60.00	150.00	250.0%
4293572 · Re-Exam FAR	90.00	120.00	-30.00	-25.0%
4293573 · Re-Exam REG	270.00	210.00	60.00	28.6%
4293574 · Re-Exam BEC	150.00	150.00	0.00	0.0%
<b>Total Income</b>	<b>3,865.00</b>	<b>2,820.00</b>	<b>1,045.00</b>	<b>37.1%</b>
<b>Gross Profit</b>	<b>3,865.00</b>	<b>2,820.00</b>	<b>1,045.00</b>	<b>37.1%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	4,681.74	2,091.64	2,590.10	123.8%
5101020 · P-T/Temp Emp Sal & Wages	2,009.55	868.42	1,141.13	131.4%
5101030 · Board & Comm Mbrs Fees	960.00	720.00	240.00	33.3%
5102010 · OASI-Employer's Share	537.09	246.05	291.04	118.3%
5102020 · Retirement-ER Share	401.48	177.61	223.87	126.1%
5102060 · Health /Life Ins.-ER Share	1,407.06	605.11	801.95	132.5%
5102080 · Worker's Compensation	8.03	2.37	5.66	238.8%
5102090 · Unemployment Insurance	2.59	1.15	1.44	125.2%
5203010 · Auto--State Owned	111.55	0.00	111.55	100.0%
5203020 · Auto-Private-Ownes Low Mileage	0.00	103.96	-103.96	-100.0%
5203030 · In State-Auto- Priv. High Miles	101.64	50.40	51.24	101.7%
5203140 · InState-Tax Meals Not Overnight	0.00	11.00	-11.00	-100.0%
5203260 · OS-Air Commercial Carrier	2,126.30	1,190.40	935.90	78.6%
5203280 · OS-Other Public Carrier	174.75	124.00	50.75	40.9%
5203300 · OS-Lodging	3,801.12	1,730.46	2,070.66	119.7%
5203320 · OS-Incidentals to Travel	99.00	158.00	-59.00	-37.3%
5203350 · OS-Non-Taxable Meals Overnight	254.00	234.00	20.00	8.6%
5204010 · Subscriptions	259.83	208.98	50.85	24.3%
5204050 · Consultant Fees - Computer	0.00	8,000.00	-8,000.00	-100.0%
5204180 · Computer Services-State	140.55	174.00	-33.45	-19.2%
5204181 · Computer Development Serv-State	0.00	19.80	-19.80	-100.0%
5204200 · Central Services	1,605.66	1,378.83	226.83	16.5%
5204220 · Equipment Service & Maintenance	2.80	1.26	1.54	122.2%
5204230 · Janitorial/Maintenance Services	130.34	126.55	3.79	3.0%
5204460 · Equipment Rental	674.00	674.00	0.00	0.0%
5204490 · Rents Privately Owned Property	1,269.45	1,269.45	0.00	0.0%
5204510 · Rent-Other	0.00	248.80	-248.80	-100.0%
5204530 · Telecommunications Services	339.55	331.69	7.86	2.4%
5204540 · Electricity	55.92	49.10	6.82	13.9%
5204740 · Bank Fees and Charges	104.07	129.56	-25.49	-19.7%
5205020 · Office Supplies	0.00	20.00	-20.00	-100.0%
5205320 · Printing/Duplicating/Binding Co	0.00	34.50	-34.50	-100.0%
5205350 · Postage	36.17	0.00	36.17	100.0%
5228000 · Operating Transfers Out-NonBudg	237.32	541.97	-304.65	-56.2%
<b>Total Expense</b>	<b>21,531.56</b>	<b>21,523.06</b>	<b>8.50</b>	<b>0.0%</b>
<b>Net Ordinary Income</b>	<b>-17,666.56</b>	<b>-18,703.06</b>	<b>1,036.50</b>	<b>5.5%</b>
<b>Net Income</b>	<b>-17,666.56</b>	<b>-18,703.06</b>	<b>1,036.50</b>	<b>5.5%</b>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
 July through November 2016

	Jul - Nov 16	Jul - Nov 15	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	1,550.00	1,075.00	475.00	44.2%
4293551 · Certificate Renewals-Active	59,400.00	60,200.00	-800.00	-1.3%
4293552 · Certificate Renewals-Inactive	19,700.00	20,050.00	-350.00	-1.8%
4293553 · Certificate Renewals-Retired	1,200.00	1,040.00	160.00	15.4%
4293554 · Initial Firm Permits	450.00	100.00	350.00	350.0%
4293555 · Firm Permit Renewals	13,450.00	13,650.00	-200.00	-1.5%
4293557 · Initial Audit	180.00	360.00	-180.00	-50.0%
4293558 · Re-Exam Audit	1,050.00	990.00	60.00	6.1%
4293560 · Late Fees-Initial Certificate	100.00	0.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,650.00	2,900.00	-250.00	-8.6%
4293563 · Late Fees-Firm Permit Renewals	400.00	400.00	0.00	0.0%
4293564 · Late Fees-Peer Review	350.00	250.00	100.00	40.0%
4293566 · Firm Permit Owners	103,605.00	93,000.00	10,605.00	11.4%
4293567 · Peer Review Admin Fee	300.00	150.00	150.00	100.0%
4293568 · Firm Permit Name Change	150.00	100.00	50.00	50.0%
4293569 · Initial FAR	420.00	420.00	0.00	0.0%
4293570 · Initial REG	300.00	210.00	90.00	42.9%
4293571 · Initial BEC	420.00	270.00	150.00	55.6%
4293572 · Re-Exam FAR	930.00	780.00	150.00	19.2%
4293573 · Re-Exam REG	1,080.00	930.00	150.00	16.1%
4293574 · Re-Exam BEC	990.00	960.00	30.00	3.1%
4491000 · Interest and Dividend Revenue	5,466.12	4,714.96	751.16	15.9%
4896021 · Legal Recovery Cost	0.00	200.00	-200.00	-100.0%
<b>Total Income</b>	<b>214,141.12</b>	<b>202,749.96</b>	<b>11,391.16</b>	<b>5.6%</b>
<b>Gross Profit</b>	<b>214,141.12</b>	<b>202,749.96</b>	<b>11,391.16</b>	<b>5.6%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	24,011.67	23,299.02	712.65	3.1%
5101020 · P-T/Temp Emp Sal & Wages	9,563.96	9,875.48	-311.52	-3.2%
5101030 · Board & Comm Mbrs Fees	2,820.00	2,040.00	780.00	38.2%
5102010 · OASI-Employer's Share	2,468.08	2,444.09	23.99	1.0%
5102020 · Retirement-ER Share	2,014.52	1,971.99	42.53	2.2%
5102060 · Health /Life Ins.-ER Share	7,186.57	6,489.27	697.30	10.8%
5102080 · Worker's Compensation	40.23	26.44	13.79	52.2%
5102090 · Unemployment Insurance	13.01	12.97	0.04	0.3%
5203010 · Auto--State Owned	111.55	78.65	32.90	41.8%
5203020 · Auto-Private-Ownes Low Mileage	364.78	103.96	260.82	250.9%
5203030 · In State-Auto- Priv. High Miles	881.16	1,108.80	-227.64	-20.5%
5203100 · In State-Lodging	564.10	319.60	244.50	76.5%
5203120 · In State-Incidentals to Travel	25.00	20.00	5.00	25.0%
5203140 · InState-Tax Meals Not Overnigt	11.00	11.00	0.00	0.0%
5203150 · InState-Non-Tax Meals OverNight	240.00	268.00	-28.00	-10.5%
5203230 · OS-Auto Private High Mileage	335.16	0.00	335.16	100.0%
5203260 · OS-Air Commercial Carrier	4,291.90	1,190.40	3,101.50	260.5%
5203280 · OS-Other Public Carrier	432.10	124.00	308.10	248.5%
5203300 · OS-Lodging	5,856.27	1,730.46	4,125.81	238.4%
5203320 · OS-Incidentals to Travel	329.00	158.00	171.00	108.2%
5203350 · OS-Non-Taxable Meals Overnight	551.00	234.00	317.00	135.5%
5204010 · Subscriptions	259.83	208.98	50.85	24.3%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204050 · Consultant Fees - Computer	0.00	8,000.00	-8,000.00	-100.0%
5204160 · Workshop Registration Fees	2,780.00	1,390.00	1,390.00	100.0%
5204180 · Computer Services-State	2,186.25	531.75	1,654.50	311.1%
5204181 · Computer Development Serv-State	0.00	1,312.85	-1,312.85	-100.0%
5204200 · Central Services	3,549.51	3,300.31	249.20	7.6%
5204220 · Equipment Service & Maintenance	16.37	11.50	4.87	42.4%
5204230 · Janitorial/Maintenance Services	651.70	632.75	18.95	3.0%
5204340 · Computer Software Maintenance	0.00	614.50	-614.50	-100.0%
5204460 · Equipment Rental	1,561.00	1,561.00	0.00	0.0%
5204490 · Rents Privately Owned Property	6,347.25	6,347.25	0.00	0.0%
5204510 · Rent-Other	318.04	248.80	69.24	27.8%
5204530 · Telecommunications Services	1,347.15	1,353.95	-6.80	-0.5%
5204540 · Electricity	251.25	201.97	49.28	24.4%

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
**July through November 2016**

	<u>Jul - Nov 16</u>	<u>Jul - Nov 15</u>	<u>\$ Change</u>	<u>% Change</u>
5204560 · Water	44.70	44.70	0.00	0.0%
5204740 · Bank Fees and Charges	4,373.47	4,028.08	345.39	8.6%
5204960 · Other Contractual Services	456.00	0.00	456.00	100.0%
5205020 · Office Supplies	279.61	591.58	-311.97	-52.7%
5205320 · Printing/Duplicating/Binding Co	106.95	82.80	24.15	29.2%
5205350 · Postage	1,036.17	0.00	1,036.17	100.0%
5207900 · Computer Hardware	0.00	85.00	-85.00	-100.0%
5228000 · Operating Transfers Out-NonBudg	2,309.05	1,779.52	529.53	29.8%
<b>Total Expense</b>	<u>93,185.36</u>	<u>87,033.42</u>	<u>6,151.94</u>	<u>7.1%</u>
<b>Net Ordinary Income</b>	<u>120,955.76</u>	<u>115,716.54</u>	<u>5,239.22</u>	<u>4.5%</u>
<b>Net Income</b>	<u><u>120,955.76</u></u>	<u><u>115,716.54</u></u>	<u><u>5,239.22</u></u>	<u><u>4.5%</u></u>



**REPORT TO BOARD ON NASBA ED/LEGAL COUNSEL CONFERENCE**

Nicole Kasin

The NASBA Executive Directors Conference will be held in New Orleans, LA, March 14-16, 2017. The NASBA Legal Counsel Conference will be held in New Orleans, LA, March 14-16, 2017.

This is a request for the Board to approve travel for the Executive Director and Legal Counsel to attend the conference.

**35TH ANNUAL CONFERENCE FOR EXECUTIVE DIRECTORS  
AND BOARD STAFF**

March 14-16, 2017  
Royal Sonesta  
New Orleans, LA

**AGENDA**

**Tuesday, March 14, 2017**

- 9:00 am – 1:00 pm **Executive Directors Committee Meeting**  
*(Committee Members Only)*
- 9:00 am – 1:00 pm **State Society Relations Committee Meeting**  
*(Committee Members Only)*
- 1:00 – 2:00 pm **Registration**
- 2:00 – 2:05 pm **Welcome**  
Presiding: Wade A. Jewell, Executive Director  
Virginia Board of Accountancy  
Ralph Thomas, CEO  
New Jersey Society of CPAs
- 2:05 – 2:50 pm **CPA Pipeline - Building the Profession (with State Society CEOs)**  
Moderators: Wade A. Jewell, Executive Director  
Virginia Board of Accountancy  
Ralph Thomas, CEO  
New Jersey Society of CPAs  
Speakers: Dan Dustin, Vice President, State Board Relations  
NASBA  
Joanne Fiore, Vice-President, Professional Media,  
Pathways and Inclusion,  
AICPA  
Stephanie Peters, CEO  
Virginia Society of CPAs

Open Discussion

2:50 – 3:50 pm **Peer Review Administration (with State Society CEOs)**

Moderator: Randy Ross, Executive Director  
Oklahoma Accountancy Board

Speakers: Rebecca Gebhardt  
NASBA, Associate Director, Regulatory Compliance Programs

TBD

Open Discussion

3:50 – 4:15 pm **Break**

4:15 – 4:45 pm **Legislative Updates (with State Society CEOs)**

Moderator: Ofelia Duran, Executive Director  
Colorado State Board of Accountancy

Speakers: John W. Johnson, Director, Legislative & Governmental  
Affairs  
NASBA

Mat Young Vice President, State Regulatory and Legislative  
Affairs  
AICPA

Open Discussion

4:45 – 5:15 pm **Education and Accreditation (with State Society CEOs)**

Moderator: Pamela Ivey, Executive Director  
Wyoming Board of CPAs

Speaker: Brentni Henderson, Associate Director, Business  
Development & Research  
NASBA

Open Discussion

5:15 pm **Recess**

6:00 – 8:00 pm **Welcome Reception**

**Wednesday, March 15, 2017**

8:00 – 9:00 am      **Breakfast** (with Legal Counsel and State Society CEOs)

9:00 – 9:45 am      **NASBA Report** (with Legal Counsel and State Society CEOs)

Moderator: Wade A. Jewell, Executive Director  
Virginia Board of Accountancy

Speakers: Telford A. Lodden, CPA, Chair  
NASBA

Ken L. Bishop, President & CEO  
NASBA

9:45 – 10:15 am      **Legal Cases and Other Developments Impacting the Profession** (with  
Legal Counsel and State Society CEOs)

Moderator: Jimmy Corley, Executive Director  
Arkansas State Board of Public Accountancy

Speakers: Noel Allen, Esq.  
Allen & Nichols, P.A.

Nathan Standley, Esq.  
Allen & Nichols, P.A.

10:15 – 10:45 am      **Break**

10:45 – 11:15 am      **Uniform CPA Examination Updates** (with State Society CEOs)

Moderator: Dick Carroll, Executive Director  
Kentucky Board of Accountancy

Speakers: Mike Decker, Vice President, Examinations Team  
AICPA

Colleen Conrad, Executive Vice President & COO  
NASBA

Open Discussion

11:15 am – 12:00 pm **NASBA Update: CPE Audit Tool & Gateway** (with State Society CEOs)

Moderator: Jennifer Winters, Executive Director  
New York State Board for Public Accountancy

Speakers: Cheryl Farrar, Chief Information Officer  
NASBA

Open Discussion

12:00 – 1:30 pm **Recognition Lunch (with State Society CEOs)**

Presiding: Wade Jewell, Executive Director  
Virginia Board of Accountancy

Kent Absec, Executive Director  
Idaho State Board of Accountancy

1:30 pm - 2:15 pm **UAA Update/Use of Titles (with State Society CEOs)**

Moderator: Randy Ross, Executive Director  
Oklahoma Board of Accountancy

Speakers: TBD

Open Discussion

2:15 pm **Adjourn joint sessions with State Society CEOs**

2:30 – 5:00 pm **Regional Breakouts (4 groups)**

Region 1 Discussion Leader: Pamela Ivey  
Region 2 Discussion Leader: Tom DeGroot  
Region 3 Discussion Leader: Ofelia Duran  
Region 4 Discussion Leader: Dick Carroll

3:30 – 4:00 pm **Break**

5:00 pm **Recess**

**Thursday, March 16, 2017**

8:00 – 9:00 am **Breakfast**

9:00 – 10:00 am **Ethical Leadership – An Ongoing Discussion**

Discussion Leader: Wade A. Jewell, Executive Director

Virginia Board of Accountancy

Speakers: Alfonzo Alexander, President,  
NASBA Center for the Public Trust

TBD

10:00 – 10:30 am **CPE Compliance/Reciprocity**

Discussion Leader: Tom DeGroot, Executive Director  
Missouri State Board of Accountancy

10:30 – 11:00 am **Break**

11:00 – 11:30 am **CPA Exam – Test Security**

Moderator: Wade A. Jewell, Executive Director  
Virginia Board of Accountancy

Speaker: Kimberly Farace, Team Leader, Client Services  
Prometric

11:30 - 12:00 pm **Use of Data and Analytics**

Moderator: Martin Pittioni, Executive Director  
Oregon Board of Accountancy

Speakers: James Suh, Director of Continuous Improvements & Analytics  
NASBA

12:00 – 1:15 pm **Lunch**

1:15 – 1:30 pm **Report from Legal Counsel**

Moderator: Jennifer Winters, Executive Director  
New York State Board for Public Accountancy

Speaker: Stacey Grooms  
Manager Regulatory Affairs, NASBA

1:45 – 2:30 pm **Breakout Sessions (Closed Sessions)**

**Executive Directors (only)**

Moderator: Wade A. Jewell, Executive Director  
Virginia Board of Accountancy

**Board Staff (only)**

Moderator: Kelli Anderson, Communications Manager  
Virginia Board of Accountancy

2:30 – 3:00 pm

**Break**

3:00 - 4:30 pm

**Breakout Sessions (Closed Sessions), continued**

4:30 – 5:00 pm

**Q & A Session with NASBA Leadership, Executive Directors only  
(Closed Session)**

Presiding: Wade A. Jewell, Executive Director  
Virginia Board of Accountancy

5:00 pm

**Adjourn**

6:30 pm

**Closing Celebration**

**Friday, March 17, 2016**

9:00 am – 12:00 pm

**Executive Directors Committee Meeting  
(Committee Members Only)**



National Association of State Boards of Accountancy

## ANNUAL LEGAL CONFERENCE

March 14-16, 2017

Royal Sonesta

New Orleans, LA

### AGENDA

#### Tuesday, March 14, 2017

5:00 – 6:00 pm      **Registration**

6:00 – 8:00 pm      **Welcome Reception**

#### Wednesday, March 15, 2017

8:00 – 9:00 am      **Breakfast** (with Executive Directors and State Society CEOs)

9:00 – 9:45 am      **NASBA Report** (with Executive Directors and State Society CEOs)

Moderator: Wade A. Jewell, Executive Director  
Virginia Board of Accountancy

Speakers: Telford A. Lodden, CPA, Chair  
NASBA

Ken L. Bishop, President & CEO  
NASBA

9:45 – 10:15 am      **Legal Cases and Other Developments Impacting the Profession** (with Executive Directors and State Society CEOs)

Moderator: Jimmy Corley, Executive Director  
Arkansas State Board of Public Accountancy

Speakers: Noel Allen, Esq.  
Allen & Nichols, P.A.

Nathan Standley, Esq.  
Allen & Nichols, P.A.

Brie Allen, Esq.



Allen & Nichols, P.A.

- 10:15 – 10:45 am **Break**
- 10:45 – 12:00 pm **Roll Call of Boards – Current Issues & Hot Topics**
- Moderator: Stacey L. Grooms, Esq.  
NASBA, Regulatory Affairs Manager
- 12:00 – 1:30 pm **Recognition Lunch (with Executive Directors and State Society CEOs)**
- Presiding: Wade A. Jewell, Executive Director  
Virginia Board of Accountancy
- Kent Absec, Executive Director  
Idaho State Board of Accountancy
- 1:30 – 2:30 pm **Tips for Investigating an Alleged Audit Violation**  
(How to identify a violation? What evidence is needed to prove the violation? How to determine if working papers/reports have been altered?)
- Speakers: Peter Delvecchia  
AICPA, Sr Technical Manager – Professional Ethics Division
- Frank Trainor, Esq.  
North Carolina State Board of Accountancy
- Carl Sonne, Esq.  
California Department of Justice, Deputy Attorney General
- 2:30 – 3:30 pm **AICPA Cooperative Enforcement Process**
- Speakers: Peter Delvecchia  
AICPA, Sr Technical Manager – Professional Ethics Division
- 3:30 – 4:00 pm **Break**
- 4:00 – 4:50 pm **Discipline by Federal Agencies – What Should the Board Do Now?**  
(A Discussion of Next Steps when a Licensee has been Disciplined by a Federal Agency)
- Speakers: Boyd Busby, Executive Director  
Alabama Board of Accountancy
- 5:00 pm **Recess**



4:45 - 5:00 pm

**Closing Remarks, Evaluations and Adjourn**

6:30 pm

**Closing Celebration**

DRAFT

## REPORT TO BOARD ON GRADES

Nicole Kasin

The grades were posted for review for the 51<sup>st</sup> window. These grades are through December 2016. I have included the average scores per school since CBT started along with the number of students that have sat for their school respectively. The last chart shows the averages for the past 8 windows.

### Overall Average Window 1-51

Window	(All)
--------	-------

Average of Score	Section				Grand Total
School	AUD	BEC	FAR	REG	Grand Total
Augie	75	73	73	74	74
BHSU	71	71	70	72	71
COTech	65	69	69	73	69
DSU	70	70	62	67	67
DWU	70	67	64	75	69
Mt. Marty	65	67	72	68	68
NAU	69	65	67	69	67
NSU	72	70	72	71	71
OS	74	73	70	72	72
SDSU	74	75	77	77	76
USD	77	75	74	74	75
USF	72	75	74	77	74
Grand Total	73	73	72	73	73

### Students per section per school since CBT Began (3 or more parts)

Window	(All)
--------	-------

Count of Score	Section				Grand Total
School	AUD	BEC	FAR	REG	Grand Total
Augie	95	101	86	106	388
BHSU	117	123	105	100	445
COTech	23	21	14	14	72
DSU	15	18	16	13	62
DWU	18	16	18	14	66
Mt. Marty	26	28	17	19	90
NAU	14	18	25	21	78
NSU	98	112	78	94	382
OS	241	250	237	226	954
SDSU	38	38	28	34	138
USD	266	271	267	268	1072
USF	84	79	78	64	305
Grand Total	1035	1075	969	973	4052

Average for past 8 windows (3 or more parts)

Average of Score	Section				Grand Total
School	AUD	BEC	FAR	REG	
Augie	75	78	73	77	76
BHSU	72	73	72	72	72
DSU		68			68
DWU	67	66	70	72	69
Mt. Marty	62	57	76		63
NAU	72	74	72	73	73
NSU	73	70	65	74	71
OS	73	75	72	69	73
SDSU	77	78	82	77	78
USD	76	75	73	73	74
USF	72	80	76	75	75
Grand Total	74	74	72	73	73

The Board needs to Approve the 2016-4 (51<sup>st</sup> Window) grades.

**EXECUTIVE DIRECTOR'S REPORT**

Nicole Kasin

**Database update**

The board staff is working with GL Solutions to create the database. Calls began at the beginning of September and future calls are scheduled in regards to the outputs and design process. No additional issues to discuss at this time.

**CPE Audits**

The list of licensees has been selected for CPE audits and letters were sent out to those selected on September 16, 2016. The documentation was due in our office no later than October 31, 2016. The following chart shows the status of the audits as of January 12, 2017.

	<b>Selected</b>	<b>Complied</b>	<b>Not Complied</b>	<b>Granted Extension</b>	<b>Approved CPE Audit</b>	<b>Failed CPE Audit</b>
<b>CPA (Active)</b>	51	51	0	0	50	0
<b>CPA (Active in Firm)</b>	53	53	0	0	49	0

**Board Audit**

The Board staff is working with the auditors on the two years ending June 30, 2016 audit.

**Board Discussion**

- Any New Business/topics?

# Proposed Evolution of Peer Review Administration

Revised January 2017

*A discussion paper seeking input from state CPA societies and state boards of accountancy*

## Background

In February 2016, the American Institute of CPAs (AICPA) released a discussion paper to state CPA society (society) CEOs to solicit input on the evolution of peer review administration of the AICPA Peer Review Program (Program), with a companion paper sent to state boards of accountancy (boards) in July. The evolution of peer review administration is part of the AICPA's Enhancing Audit Quality (EAQ) initiative, with the objective to ultimately improve audit performance by increasing consistency, efficiency and effectiveness of Program administration.

The February paper proposed a model for a peer review administering entity (AE) of the future, specifying various criteria, including a required number of AEs, specific staffing requirements/qualifications, structural requirements for Peer Review Committees (Committees) and Report Acceptance Bodies (RABs) and the administration of a minimum of 1,000 peer reviews annually. The model demonstrated one potential way in which the consistency, efficiency and effectiveness in the administration of peer review could be increased, resulting in improved audit performance by practitioners.

The discussion paper and its companion paper to the boards generated significant discussion and response, including formal comment letters from 30 societies and 25 boards. The overwhelming majority of respondents agreed inconsistencies exist among AEs and the administration model needs to change. Most respondents agreed a reduction in the number of AEs would improve consistency.

In addition, stakeholders submitted ideas on how best to achieve the stated objective including several alternatives to the model. A group of society staff leadership and AICPA staff carefully considered these alternatives, and agreed that a model using modified staffing requirements/qualifications and specific performance benchmarks could most effectively achieve the objective. In addition, the Planning Task Force of the AICPA's Peer Review Board (PRB) provided additional input while concurring with the approach as a whole. **Based on this feedback, the model has been revised to eliminate the required number of AEs, the requirement to administer a minimum of 1,000 reviews annually and many of the AE staffing requirements.**

## Proposed Benchmark Model

The most common suggestion for the evolution of peer review administration was to allow existing, effective AEs that operate in full accordance with Program Standards and guidance, to continue administering the Program, without consideration given to the number of peer reviews administered, and to discontinue administration by poor performing AEs. Many respondents indicated they believed their AE was operating effectively because they were unaware of any evidence to the contrary. **Accordingly, the model proposed in this paper requires AEs to meet specific benchmarks, diligently monitored by the AICPA, and increases transparency of AE performance.**

Under this model, AEs that choose to continue administering peer reviews must meet specific benchmarks, which include qualitative, objective and measurable criteria. AEs will be evaluated based upon whether they consistently meet these benchmarks. AE performance will be made transparent through new reporting requirements to various stakeholders, such as society CEOs and boards, as appropriate. If this approach is undertaken, the specific benchmarks illustrated in this paper are subject to changes and approval by the PRB, and may be modified over time due to advances in technology and other factors.



Inconsistencies in administrative processes and report acceptance have been identified by PRB Oversight Task Force (OTF) members and AICPA staff through RAB observations, AE oversight visits and other processes. These inconsistencies, though communicated only to the AE in the past, resulted in peer reviews being administered untimely and with results not in compliance with the Program. The proposed benchmarks have been developed by identifying how to:

- Minimize the inconsistencies
- Increase the probability that individuals with the appropriate knowledge, experience and skepticism perform and give adequate consideration to technical reviews and the RAB process, and
- Optimize the peer review process so firms can meet their licensing requirements efficiently

### Two Important Criteria Retained and Modified

Two key criteria from the original proposed model are included, though slightly modified, in this revised proposal related to staffing and Technical Reviewer requirements.

- 1) Staffing: Ultimately, the society CEO is responsible for determining the necessary staffing and hiring appropriately qualified individuals.

Though the primary focus of the proposed model is the achievement of identified benchmarks, each AE will be required to have at least one CPA employed on staff, who is actively engaged, knowledgeable about the Program Standards and administrative requirements and processes, and has the authority and sufficient knowledge to identify and correct inadequate performance of an administrator or technical reviewer. If the AE administers for more than one state, the CPA staff member must be employed full-time. This individual should

- Be fully committed to the objectives of the Program and its administration and have the moral courage to challenge Committees/RABs, when necessary
  - Conduct monitoring procedures and present results to the society CEO
  - Be responsible for day to day operations of the Program, which allows continuity and a backup plan
- 2) Technical Reviewer Requirements: Based on stakeholder feedback the requirement for a full-time technical reviewer to be employed on staff has been removed. Additionally, the requirement that all working papers be evaluated as a part of the technical review has been removed. However, there will be a change in process in that administrators will make all peer review working papers available to the technical reviewer who will be required to take a risk-based approach in determining which working papers should be evaluated during the technical review. In addition, the requirement for the technical reviewer to be present during RAB meetings has been retained.

### Failure to Meet Benchmarks

If performance benchmarks are not met, a society (or organization) will lose its ability to be an AE. The OTF and AICPA staff will monitor AE compliance through reports generated from the new peer review software program launching in 2017, Peer Review Integrated Management Application (PRIMA), observations of Committee and RAB meetings and AE oversight visits. If an AE fails to meet the benchmarks and appropriate, timely remediation is not achieved, the

PRB will rescind the AE's ability to administer the Program. Fair procedures will be developed and followed to determine the appropriate remediation and, if necessary, termination.

## **Benchmarks**

Benchmarks fall into three categories: administrator, technical reviewer and Committee/RAB. AEs will be required to develop policies and procedures to address how the AE will comply with the benchmarks. These policies and procedures will become part of each AE's annual Plan of Administration (POA). The POA is a document outlining operational details as to how the AE will implement the Program under Program Standards and is subject to annual approval by the PRB.

In addition, each AE will be required to develop and disclose in its POA its policies and procedures designed to mitigate the familiarity threat that exists among Committees/RABs, technical reviewers, peer reviewers, and firms subject to review, based on the AE's particular circumstances. Such procedures may include one or more of the following (not all inclusive):

- Redacting identifying information about firm and/or peer reviewers from documents presented to RAB
- Arranging for the acceptance of its committee members' peer reviews by another AE
- Arranging for the acceptance of its high-volume reviewers' reviews by another AE
- Arranging for RAB members or specialists from other states to participate in RABs
- Engaging qualified individuals from another state to perform all technical reviews

In addition to the policies and procedures designed to mitigate the familiarity threat developed by each AE, all committee and RAB members will annually be required to: (1) participate in guided discussion which will emphasize the importance of maintaining objectivity and the appropriate level of skepticism, and (2) sign confirmations indicating their agreement to comply with Program Standards and maintain objectivity and an appropriate level of skepticism.

For each AE, the applicable society CEO(s) will be accountable for the peer review administrative process under his/her organization's responsibility. Accordingly, the CEO will be responsible for:

- Determining the necessary staffing
- Hiring appropriately qualified individuals
- Monitoring compliance with the benchmarks, and
- Signing the POA, agreeing to the responsibilities outlined above

*See Exhibit 1 for descriptions of proposed benchmarks.*

## **Benchmark Violations and Fair Procedures**

If an AE fails to meet the required benchmarks, fair procedures will be followed to determine the appropriate remediation, or depending on the significance of the benchmarks not achieved, termination. The fair procedures developed will provide the AE an opportunity to remedy the situation(s) that created the violation(s), with disqualification as an AE resulting only from a failure to remediate to acceptable levels of performance. When remediation is required, the individual within the AE responsible for the Program should immediately take required actions, and the society CEO should oversee the remediation.

Violations will fall into one of two categories: egregious and non-egregious, with both types of violations resulting in required remediation and appropriate transparency to stakeholders. A pattern of non-egregious violations will result in additional oversight, with failure to remediate causing the AE to move into "probation." Egregious violations will cause immediate "probation," with the AE incurring the cost of external oversight during remediation.

Exhibit 2 provides a flow chart and an illustrated example of fair procedures. The fair procedures will be fully developed and shared with all stakeholders, including the costs to the AE for remediation and probationary activities.

As previously indicated, the specific benchmarks illustrated in this paper are subject to changes and approval by the PRB, including the determination of which benchmark violations are considered egregious. Below are examples of proposed egregious benchmark violations which will cause an AE to move into probation:

- Late submission of the Annual POA (or not including all required information) by due date (note that the PRB is currently considering revising the due date of the Annual POA to a time where submission of complete information is reasonably achievable)
- Not completing the required annual minimum number of oversights by the due date (note that, similar to the consideration noted above for the Annual POA, the PRB is currently considering the date by which all oversights must be completed.)
- Not addressing reviewer performance issues timely
- Technical reviewer and Committee/RAB members not applying appropriate level of objectivity and skepticism (familiarity threat)
- Receiving repeat comments in a RAB observation report from the immediate preceding report
- Releasing confidential peer review information to an external party without written permission from firm
- Sending over 15% of required communications late
- RABs accepting reviews without the presence of members who have appropriate experience/expertise or a quorum
- Not performing administrative oversight
- RAB consistently deferring or delaying over 10% of reviews
- Not engaging/using technical reviewers who possess appropriate experience, training or expertise
- Technical reviewers not present at RAB meetings
- Not structuring and scheduling RAB meetings appropriately
- Not responding timely to requests from the OTF or AICPA staff

### **State Board Oversight**

While this paper does not propose a separate set of board oversight benchmarks, **such oversight will continue to be a critical component of the Program's administration.** The proposed model will not be effective without external oversight such as that performed by board-appointed Peer Review Oversight Committees (PROCs). We will continue to work closely with the National Association of State Boards of Accountancy (NASBA) and boards to support an effective PROC process. We will also continue our collaboration with NASBA's Compliance Assurance Committee (CAC) to discuss and develop appropriate oversight procedures.

In addition, we will create a panel of board executive directors as an additional channel of input for administrative matters. Through this model, we will provide an additional avenue of discussion regarding AE administration and other peer review matters.

### **Stakeholder Feedback Requested by June 30, 2017**

Feedback is integral to the evolution of peer review administration. The AICPA is requesting your feedback of this proposed model and the benchmark criteria for AEs of the future. All input will be considered and will shape the final plan. The intent is to communicate a final plan, along with a transition process, by August 31, 2017.

Please consider the following questions when formulating your response.

- Considering the benchmark criteria presented, what changes do you believe will best increase consistency and audit quality in the peer review administration process?
- What suggestions do you have to help mitigate familiarity threats to the process?
- Are there proposals within this paper that are not feasible? If so, what suggestions do you have for otherwise meeting the objective of increasing consistency, efficiency and effectiveness of Program administration?
- Considering the benchmark criteria presented, would any new criteria be unreasonable to implement by May 1, 2018?
- Are there additional benchmark criteria that should be included?
- Are there aspects discussed within the paper that need further clarification?

If you have concerns about aspects of the proposed plan, please share alternative suggestions for meeting the quality initiative.

Comments and responses should be sent to Beth Thoresen, Director – Peer Review Operations, AICPA Peer Review Program, AICPA, 220 Leigh Farm Road, Durham, NC 27707-8110 or [prsupport@aicpa.org](mailto:prsupport@aicpa.org), and are requested by June 30, 2017.

Thank you in advance for your thoughtful consideration of the issues facing Peer Review administration, and your commitment to enhancing audit quality throughout the profession.

## Exhibit 1 – Benchmarks

The following are proposed performance benchmarks for which each AE will be held accountable. All benchmarks in this paper are illustrative and are subject to modification and approval by the PRB. The OTF and AICPA staff will monitor compliance utilizing PRIMA, observations of Committee and RAB meetings and AE oversight visits.

Some benchmarks may require changes to guidance and others may be revised as PRIMA is implemented during 2017. Current benchmarks will be monitored upon approval of the concept. Certain benchmarks are currently implied and thus expected to be currently met, and guidance will be changed such that they will be explicitly required. Benchmarks that are not currently implied or required will be phased in, with all benchmarks effective by May 1, 2018.

### Administrator Benchmarks:

#### *Current Requirements*

- Enter committee decision for reviews when acceptance has been delayed or deferred and send letters within two weeks of RAB meetings
- Submit complete annual POA by due date, including completion of all requirements
- Select appropriate reviews for oversight based on written criteria in the policies and procedures, which considers risks associated with both the reviewer and the firm
- Ensure the minimum number of oversights and the related criteria are met and performed throughout the year
- Send overdue letters and other communications when appropriate as required by guidance
- Make appropriate decisions on exceptions (e.g. extensions, team members, off-site reviews, etc.) and maintain support for exceptions
- Perform the reviewer resume verification process timely and in accordance with the Oversight Handbook
- Follow the documentation retention criteria policy established within Interpretation 25-1

#### *Implied Requirements*

- Comply with confidentiality requirements of the Program and the boards for the states the AE administers; this includes:
  - Establish internal confidentiality procedures
  - Communicate the policies and procedures to all parties involved in the peer review administration process
  - Observe that the policies and procedures are followed
- Complete administration checklist and record working papers received (within four business days of receipt)
- Fully implement recommendations from RAB observations in a timely manner upon receipt of the report
- Fully implement recommendations from RAB observations such that no comments are repeated in subsequent observations
- Provide RAB materials electronically to RAB members one week in advance of RAB meetings
- Respond timely to requests from the OTF or AICPA staff

### *New Requirements*

- Weekly investigate reviews for which review team composition can't be approved
- Record committee decisions timely in PRIMA after RAB meetings for reviews that are accepted which will result in documents being uploaded to FSBA
- Address the familiarity threat for Committee and RAB composition within the POA

### Technical Reviewer Benchmarks:

#### *Current Requirements*

- Perform the technical review timely and in accordance with the RAB Handbook requirements (including applying appropriate levels of objectivity and skepticism)
- Recommend reviews or engagements for oversight when appropriate

#### *Implied Requirements*

- Limit reviews with open items and missing relevant information from being included in the RAB package unless RAB consultation necessary (overall over time, an AE should have less than 10% of its reviews delayed or deferred to another meeting)
- Fully implement recommendations from RAB observations in a timely manner upon receipt of the report
- Fully implement recommendations from RAB observations such that no comments are repeated in subsequent observations
- Be familiar with guidance issued by the PRB and the board licensure laws for the states in which the AEs administer peer reviews
- Propose due date for corrective actions or implementation plans after discussing feasibility with the firm in advance of RAB meeting to be included in the RAB materials
- Respond timely to requests from the OTF or AICPA staff

#### *New Requirements*

- Prepare reviewer feedback forms and letters in advance of RAB meeting to be included in the RAB materials
- Obtain must-select training to perform technical reviews of peer reviews that have engagements from must-select industries
- Be present during RAB meetings in which his/her reviews are presented to answer RAB member questions to avoid deferrals or delays
- Be CPAs
- Thoroughly prepare peer reviews for RAB meetings to minimize the number of reviews that are deferred or delayed accepted subject to missing information

### Committee/RAB Benchmarks:

#### *Current Requirements*

- Conduct RAB meetings with sufficient frequency to meet 120-day rule for timeliness of presentation of reviews (60-day rule for engagement reviews with certain criteria)<sup>1</sup>

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<sup>1</sup> This model does not propose a minimum number of RAB meetings per year.

- Structure each meeting's RAB member composition to include members with relevant industry experience (regarding must-select engagements)
- Ensure each review has a quorum of RAB members to vote on it in accordance with the RAB Handbook
- Be familiar with guidance issued by the PRB
- Meet qualifications as established in the RAB Handbook
- Read materials prior to the RAB meeting and come prepared to discuss agenda items
- Discuss peer reviews and do not overly rely on the technical reviewer (including applying appropriate levels of objectivity and skepticism)
- Assign corrective actions and implementation plans in the appropriate situations with due dates that are feasible and will benefit the firm
- Issue timely the appropriate level of reviewer feedback that the situation dictates
- Shepherd reviews through the completion process timely, including generally not waiving or extending corrective actions and implementation plans (exception – hardships)
- Perform oversights on firms and reviewers timely in accordance with the Oversight Handbook and each AE's own written policies and procedures
- Annually evaluate qualifications and competencies of technical reviewer(s)
- Perform administrative oversight in accordance with the Oversight Handbook

#### *Implied Requirements*

- Establish RAB meeting length so that the entire meeting is productive; the length is appropriate to adequately discuss each peer review given its complexity (suggestion: conference calls should not be scheduled for more than two hours)
- Fully implement recommendations from RAB observations in a timely manner upon receipt of the report
- Fully implement recommendations from RAB observations such that no comments are repeated in subsequent observations
- Respond timely to requests from the OTF or AICPA staff

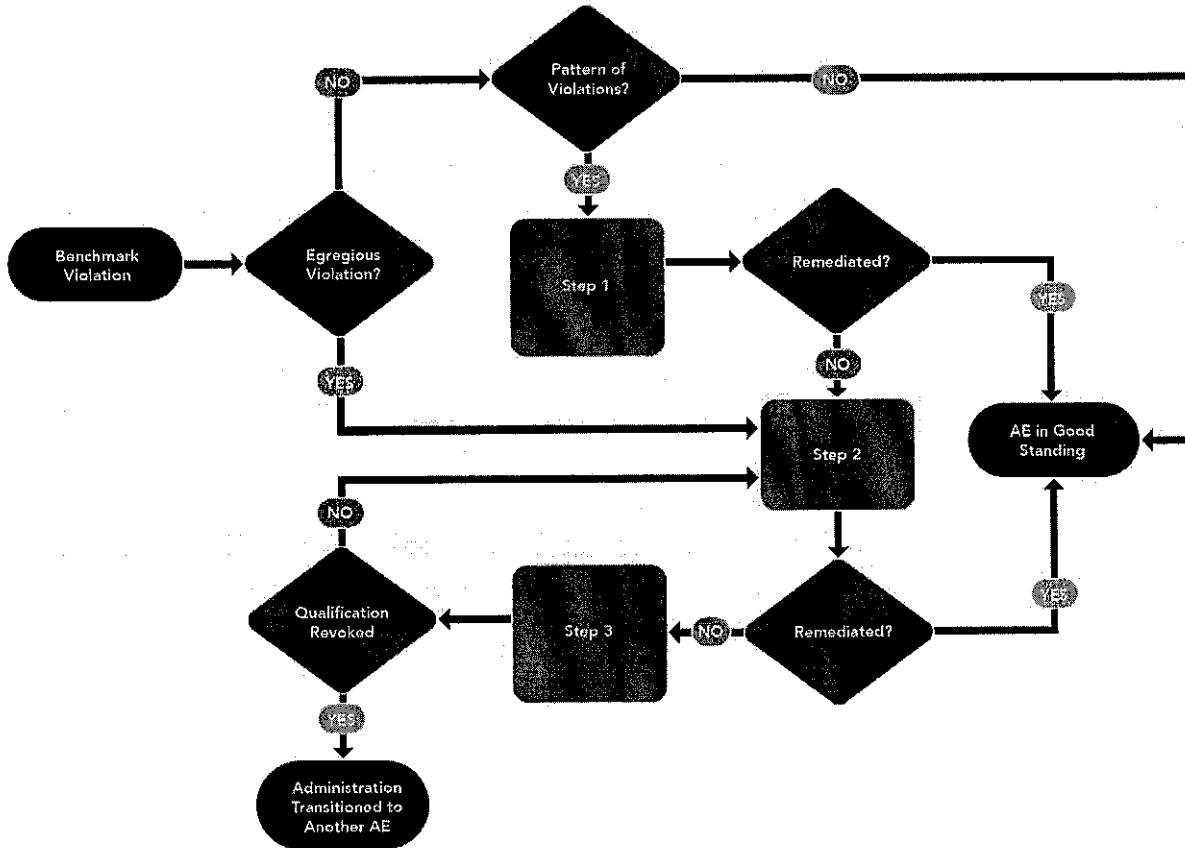
#### *New Requirements*

- Schedule RAB meetings no later than two weeks in advance
- Establish a written RAB rotation policy regarding RAB composition within the POA
- Ensure an oversight plan is approved by the Committee and is in place by a required date
- Present pertinent facts on each review (not on the consent agenda) prior to discussion and voting
- All RAB members will formally attest to having read all materials prior to RAB meeting and will maintain objectivity and a professionally skeptical attitude when considering reviews presented for acceptance.

**Exhibit 2 – Fair Procedures**

If an AE fails to meet the established benchmarks, fair procedures will be followed. The anticipated process will include multiple steps, including required remediation and, if remediation is not successful, termination of the AE’s qualification to administer the Program.

Process Flow:



Steps in Fair Procedures:

**Step 1:** Increased monitoring performed remotely by AICPA staff. Determination to move to Step 1 made by AICPA staff, with periodic reporting of activity to the OTF.

- Accelerated RAB observations to include all reviews presented to RAB. (Second RAB observation to occur no sooner than 30 days after the first.)
  - Procedures include reviewing RAB materials, observing the RAB meeting and preparing the report.
- Monitor status of open reviews monthly during this period.



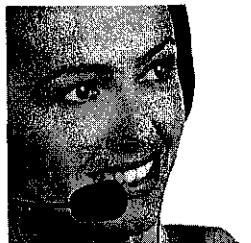
Step 2: Probation – increased monitoring performed by AICPA staff and/or OTF member at AE's expense, which may include on-site oversight at an appropriate hourly rate and reimbursement of travel expenses. Determination to move to Step 2 made by OTF.

Step 2 Example: Below are activities that may occur with increased monitoring during the probation period. Multiple activities, including repetitions, may be required, and could cost the AE anywhere from \$10,000 to \$40,000. Note, however, that actual hours, rates and resulting costs may vary greatly.

- RAB meeting observation – procedures include reviewing materials, observing the meeting and preparing a report to the OTF (time estimate – 5 hours)
- Test AE's compliance with administrative procedures (time estimate – 4 hours)
- Committee meeting observation (time estimate – 4 hours)
- Travel to AE for in-person observation (time estimate – 4 to 10 hours)

Step 3: Referral to hearing panel to determine whether:

- The AE's qualification to administer the Program will be terminated (with its administration transitioned to another AE), or
- The AE will be allowed to continue to remediate (i.e., return to Step 2).



# NASBA

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY

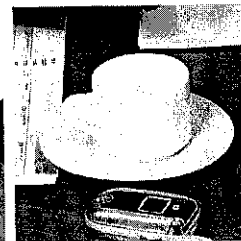
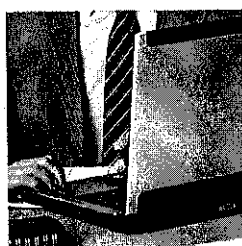
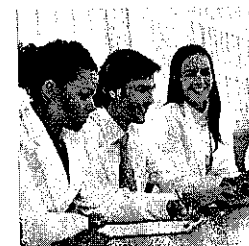
## CANDIDATE CONCERNS 16Q4

CANDIDATE CARE DEPARTMENT

OCTOBER 1 – DECEMBER 10, 2016

PENNY VERNON, MANAGER

150 Fourth Avenue North, Suite 700 Nashville, TN 37219-2417 Tel 615/880-4200 fax 615/880-4290  
Web [www.nasba.org](http://www.nasba.org)

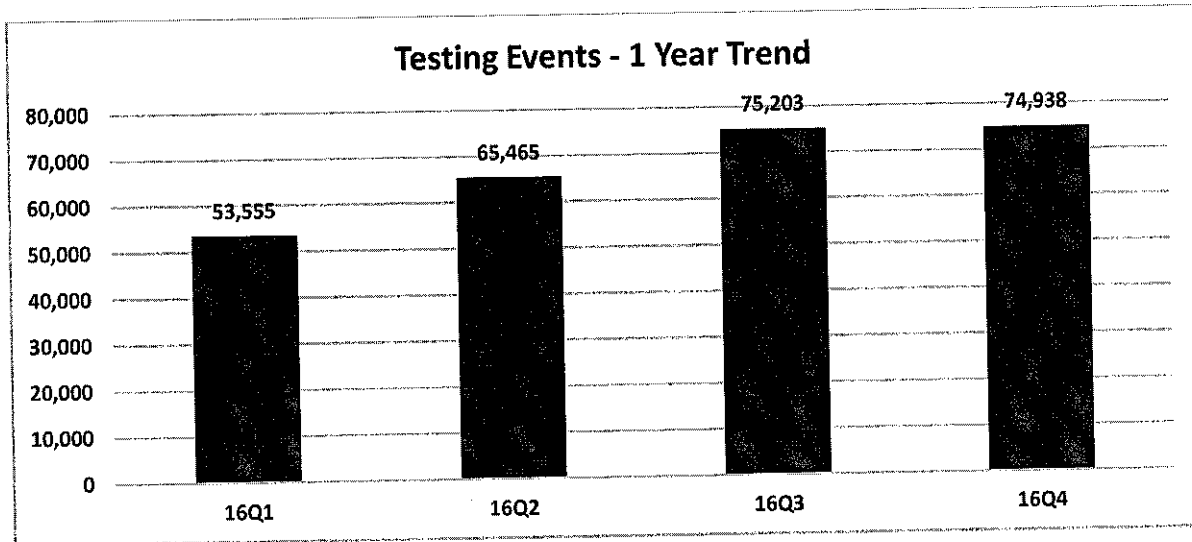


## CANDIDATE CARE CONCERNS

16Q4

October 1-December 10, 2016

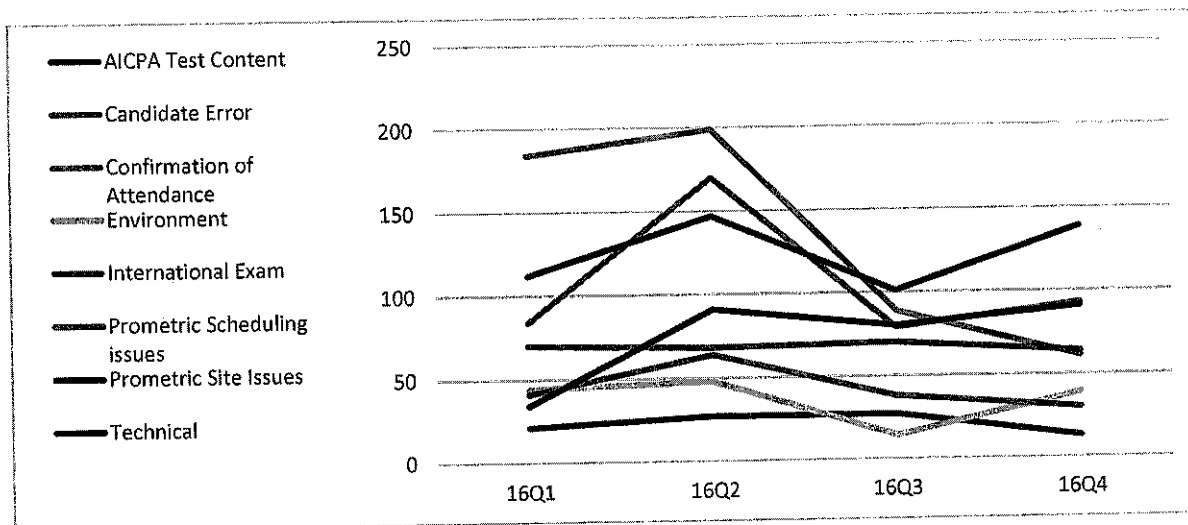
This is a report of concerns presented by CPA candidates to NASBA's Candidate Care Department during the fourth testing window of 2016 as well as a look toward preparations for the introduction of the Next Version of the Uniform CPA Examination which will launch on April 1, 2017.



The fourth testing window ran smoothly despite the increase in volume of candidates tested. Mother Nature was kind and there were very few disruptions in testing due to weather related situations.

### Summary of Candidate Concerns

Category	16Q1	16Q2	16Q3	16Q4
<b>Summary of Candidate Care Concerns</b>				
AICPA Test Content	21	27	27	13
Candidate Error	84	170	79	93
Confirmation of Attendance	184	199	89	61
Environment	44	48	14	39
International Exam	70	68	70	64
Prometric Scheduling issues	41	64	38	30
Prometric Site Issues	34	91	80	91
Technical	112	147	101	139
<b>Subtotal</b>	<b>590</b>	<b>814</b>	<b>498</b>	<b>530</b>
*Coordinator Follow-Up	398	556	526	472
*CPAES & NCD	241	223	270	268
<b>Total</b>	<b>1229</b>	<b>1593</b>	<b>1294</b>	<b>1270</b>



There was a slight delay in the release of some scores for the BEC section. This was due to a larger than usual number of exams that required a 2<sup>nd</sup> reading of the written communications to ensure accuracy in the results. Some candidates became alarmed when they did not receive their scores when the others were released but were reminded that per the AICPA's website their scores might take longer due to additional analysis that might be required for the written communications tasks.

Prometric introduced enhanced security policies which took effect in all U.S. Test Centers on October 15. This included stricter inspections of any eyeglasses, jewelry and other accessories to eliminate the possibility of the use of camera devices that could be used to capture exam content.

- All candidates will be required to remove their eyeglasses for close visual inspection by the TCAs. These inspections will take a few seconds and will be done at check-in and again upon return from breaks.
- Jewelry outside of wedding and engagement rings is prohibited. Candidates should be instructed to not wear other jewelry to the test center.
- Hair accessories are subject to inspection. Candidates should be instructed to refrain from wearing ornate clips, combs, barrettes, headbands, and other hair accessories as they may be prohibited from wearing them in to the testing room and asked to store them in their locker.
- If candidate is caught with a camera device prior to entering the testing room, we will confiscate and they won't be able to test.
- If a candidate is caught with a camera device while in the testing room, we will confiscate and the exam will be terminated.

Some candidates objected to jewelry that could not be removed. Prometric adjusted the policy whereby the TCA would inspect it, file a CPR and keep a close eye on the candidate.

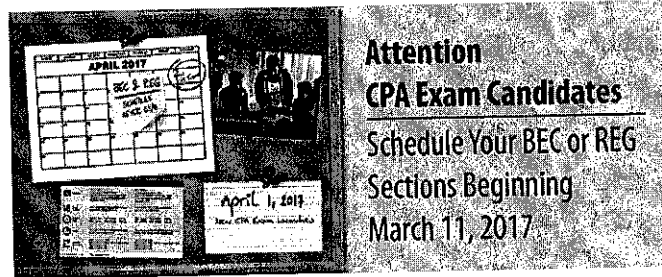
There has been continued dissatisfaction expressed by candidates regarding the use of the note boards and markers rather than paper and pencils during the examination. Candidates have been informed that if they wish to use paper and pencils they can contact NASBA's Candidate Care Department a couple of weeks prior to their scheduled appointments to request to use paper and pencils and that the test site would be notified to accommodate them. However, the increase in complaints by candidates has prompted NASBA and Prometric to revisit the policy in order to best serve the needs of the candidates.

#### NEXT VERSION:

To update candidates on any new changes regarding the next version of the CPA Examination NASBA is addressing issues as they arise.

Efforts are now underway to update and streamline the Candidate Bulletin and will be completed by mid-January.

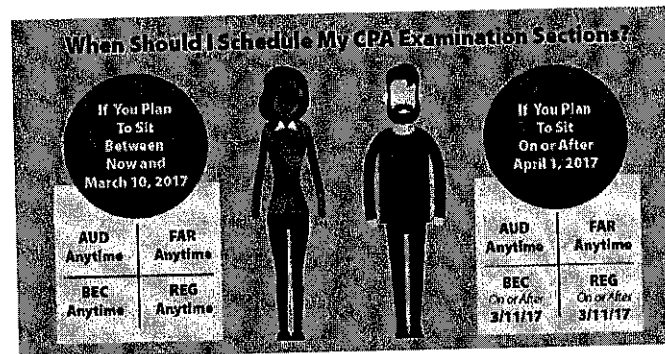
The following email was sent out to candidates regarding scheduling for the new BEC and REG sections.



If you plan to sit for the BEC or REG sections on or after April 1, 2017, the earliest you may schedule your test date is March 11, 2017. This scheduling hold supports the change to the next version of the BEC and REG Exam sections, which increase from three hours to four hours each as of April 1, 2017.

Seats will be available for candidates who plan to sit for the BEC and REG Exam sections in early April.

**IMPORTANT:** This announcement does not impact AUD or FAR test scheduling for April 1 and beyond. AUD and FAR scheduling may be done now on the Prometric [website](http://www.prometric.com).



**SPECIAL NOTICE ON RESCHEDULING**

The rescheduling process will be different if you are changing your appointment from the current version of the BEC and REG (from now until March 10th) to the new version of the BEC and REG (on or after April 1st). Here are the steps that you will follow to change your appointment.

1. Cancel your original appointment. This will reset your NTS for scheduling.
2. On or after March 11th, visit [www.prometric.com/cpa](http://www.prometric.com/cpa) to schedule your new appointment.

**Sample Tests:**

The updated sample tests are available on the AICPA website. They provide candidates with a preview of exam content as well as the functionality experienced in a Prometric test center. They are compatible with both MACs and PCs and runs on most major web browsers.

More information will be relayed to candidates as we get closer to the launch date. As always we appreciate the opportunity to act as advocates for your CPA candidates. If at any time you receive concerns about a particular test center in your area and wish to investigate further please contact NASBA and we can arrange for a secret shopper or site visit.

Penny Vernon, Manager Candidate Care NASBA