

Meeting Agenda
SOUTH DAKOTA BOARD OF ACCOUNTANCY

via Zoom
or Call +1-346-248-7799 Meeting ID:729 257 1422 Passcode: 957016

March 22, 2023, 8:30 a.m. (CDT)

A=Action
D=Discussion
I=Information

A. Call to Order.....	Budahl
B. Public Comment.....	Oratory
C. A-Approval of Minutes of Meeting January 31, 2023.....	2-3
D. A-Approval of Certificates & Firm Permits.....	4-5
E. A-Approval of Financial Statements through February 2023.....	6-25
F. A-Report to Board NASBA Regional Conferences.....	26-28
G. D-Executive Director's Report.....	29

AICPA

H. D-Draft 8-Point plan to address the CPA pipeline.....	30-33
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NASBA

I. D-Board of Directors Meeting Minutes October 28, 2022.....	34-41
J. D-Board of Directors Meeting Minutes November 1, 2022.....	42-44
K. D-Board of Directors Meeting Highlights January 20, 2023.....	45-46
L. D-October 2022 Focus Questions Overview.....	47
M. D-Exposure Draft, UAA Model Rules on conditional credit.....	48-52

EXECUTIVE SESSION pursuant to SDCL 1-25-2

N. Equivalent Reviews, follow-up, consent agreements and enforcement cases for Board Review and/or approval.....	Spt. Pkt.
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FUTURE MEETING DATES (all times CDT)

- O. Meeting Dates
April 26 – 2:30 p.m. Zoom Meeting
- P. Adjournment

Meeting Minutes
SOUTH DAKOTA BOARD OF ACCOUNTANCY
Meeting Via Zoom
January 31, 2023 9:00 a.m. CST

Chair Deidre Budahl called the meeting to order at 9:05 a.m. A quorum was present.

Members Present: Jay Tolsma, Russell Olson, Holly Engelhart, Jeff Smith, Jeff Strand, and Deidre Budahl.

Others Present: Jonathan Ludwig; Nicole Kasin, Executive Director; Julie Iverson, Licensing Administrator; and Jerry McCabe, Staff Attorney DLR.

Olson made a motion to approve the agenda. Engelhart seconded the motion. **MOTION PASSED.**

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

Strand made a motion to approve the December 15, 2022, meeting minutes. Engelhart seconded the motion. **MOTION PASSED.**

Tolsma made a motion to approve the issuance of certificates and firm permits through January 24, 2023. Olson seconded the motion. **MOTION PASSED.**

Jonathan Ludwig left the meeting at 9:07.

Strand made a motion to approve the financial statements through December 2022. Olson seconded the motion. **MOTION PASSED.**

The Board reviewed the report on the CPA exam grades for the 75th window.

Smith made a motion to ratify the CPA exam scores for the 75th window through December 2022. Engelhart seconded the motion. **MOTION PASSED.**

Executive Director Kasin discussed her report on the status of CPE audits, the 2023 Legislative sessions, and NASBA CPA Evolution.

The Board discussed the draft AICPA 8-Point Plan to Address the CPA Pipeline and the NASBA exposure draft on Proposed Statements on Standards for CPE.

Strand made a motion at 9:33 a.m. to enter executive session for the deliberative process for peer reviews, a follow-up, and AUP. Olson seconded the motion. **MOTION PASSED.**

The Board came out of executive session at 9:38 a.m.

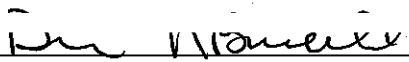
Engelhart made a motion to accept the peer reviews and follow-up as discussed in executive session. Strand seconded the motion. **MOTION PASSED.**

Smith made a motion to accept the AUP as discussed in executive session. Engelhart seconded the motion. **MOTION PASSED.**

FUTURE MEETING DATES (all times CT)
March 22, 2023 – 8:30 a.m. Zoom meeting
April 26, 2023 – 2:30 p.m. Zoom meeting

Strand made a motion to adjourn the meeting. Tolsma seconded the motion. **MOTION PASSED.**

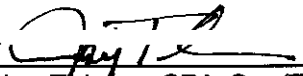
All business having come before the board was concluded and Chair Deidre Budahl adjourned the meeting at 9:45 a.m.



Deidre Budahl, CPA, Chair

Attest: 

Nicole Kasin, Executive Director



Jay Tolsma, CPA, Sec/Treas

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES
BOARD COPY**

Issued Through March 15, 2023

Number	Name	Date Issued	Location
3623	Amy J. Bjornjeld	2/07/23	Montevideo, MN
3624	Willow Jolene Waldock	2/10/23	Dallas, TX
3625	Brandon Lee Checchi	2/17/23	Rapid City, SD
3626	Hannah Ruth Matzner	2/24/23	Sioux Falls, SD

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

**Issued Through
March 15, 2023**

Number	Name	Date Issued	Basis/Comments
1785	The Bearded Bookkeepers, LLC Spearfish, SD	02/13/23	New Firm

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	431,261.50	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			431,261.50	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			431,261.50	DR **	
BUDGET UNIT TOTAL 1031			431,261.50	DR ***	

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 02/28/2023

AGENCY BUDGET CENTER-5	UNIT 1031	LABOR & REGULATION BOARD OF ACCOUNTANCY - INFO BOARD OF ACCOUNTANCY	COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPL # OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
COMPANY NO 6503 COMPANY NAME PROFESSIONAL & LICENSING BOARDS													
6503	103100061802	51010100			CGEX230126		02/01/2023					3,601.38	DR
6503	103100061802	51010100			CGEX230213		02/17/2023					3,774.12	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES 6503 103100061802 51010200 CGEX230126 6503 103100061802 51010200 CGEX230213													
OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES OBJECT: 5101 EMPLOYEE SALARIES 6503 103100061802 51020100 CGEX230126 6503 103100061802 51020100 CGEX230213													
OBJSUB: 5102010 OAST-EMPLOYER'S SHARE 6503 103100061802 51020200 CGEX230126 6503 103100061802 51020200 CGEX230213													
OBJSUB: 5102020 RETIREMENT-ER SHARE 6503 103100061802 51020600 CGEX230126 6503 103100061802 51020600 CGEX230213													
OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE 6503 103100061802 51020800 CGEX230126 6503 103100061802 51020800 CGEX230213													
OBJSUB: 5102080 WORKER'S COMPENSATION 6503 103100061802 51020900 CGEX230126 6503 103100061802 51020900 CGEX230213													
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION OBJECT: 5102 EMPLOYEE BENEFITS GROUP: 51 PERSONAL SERVICES 6503 103100061802 52040500 22-1000-002 9938 02/15/2023 00838642 GLSOLUTION 12290765													
OBJSUB: 5204050 COMPUTER CONSULTANT 6503 103100061802 52041800 DP301098 03/01/2023													
OBJSUB: 5204180 COMPUTER SERVICES-STATE 6503 103100061802 52041810 DP301098 03/01/2023													
OBJSUB: 5204181 BIT DEVELOPMENT COSTS 6503 103100061802 52042000 PL301056 02/22/2023													
OBJSUB: 5204200 CENTRAL SERVICES 6503 103100061802 52042200 IN1022298 02/08/2023 02483688 ABBUSINESS 12036980													
OBJSUB: 5204220 EQUIPMENT SERV & MAINT 84.26 DR *													

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 02/28/2023

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPL # OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
6503	103100061802	52042300	231004	JUL-JUN23 02/22/2023	014314	SUNSETOFFI	12627537		159.84	DR
									159.84	DR *
									1,380.75	DR *
6503	103100061802	52045210	JANITORIAL & MAINT SERV ACCOUNTRENT22-23	02/22/2023	017928	MCGINNISRO	12074040		1,380.75	DR *
									1,380.75	DR *
6503	103100061802	52045300	REVENUE BOND LEASE PYMTS TL301151	02/08/2023	00057590	ATMOMOBILT	12279233		102.82	DR
									102.82	DR
6503	103100061802	52045300	8381416X01242023	02/08/2023					102.82	DR
									102.82	DR
6503	103100061802	52045400	TELECOMMUNICATIONS SRVCS 5159417006	1222 02/08/2023	02483518	XCELENERGY	12023853		209.84	DR *
									209.84	DR *
									76.63	DR *
6503	103100061802	52047400	ELECTRICITY CI103A-019	02/24/2023	330926				72.72	DR
									72.72	DR
6503	103100061802	52047400	CI103A-019	02/24/2023	330926				72.72	DR
									72.72	DR
6503	103100061802	52047400	CI103A-019	02/24/2023	330926				72.72	DR
									72.72	DR
6503	103100061802	52050200	BANK FEES AND CHARGES CONTRACTUAL SERVICES	02/08/2023	00837342	QUADIENTLE	12219369		8,902.31	DR **
									24.70	DR
6503	103100061802	52050200	16896296	03/01/2023	00840421	STOUKFALLS	12036365		10.07	DR
									10.07	DR
6503	103100061802	52050200	3629	03/01/2023	00840421	STOUKFALLS	12036365		10.07	DR
									10.07	DR
6503	103100061802	52053200	OFFICE SUPPLIES 33389	02/08/2023	00837373	PREFERRED	12308425		34.77	DR *
									21.90	DR *
									56.67	DR **
6503	103100061802	52074910	PRINTING-COMMERCIAL SUPPLIES & MATERIALS	03/03/2023	02487124	CDMGOVERN	12018139		1,595.00	DR
									215.00	DR
6503	103100061802	52074910	GG80349, GJ05373 GM22970	02/15/2023	02484661	CDMGOVERN	12018139		215.00	DR
									215.00	DR
6503	103100061802	52280000	TELEPHONE EQUIPMENT CAPITAL OUTLAY	02/08/2023					1,810.00	DR *
									1,810.00	DR **
									495.94	DR *
6503	103100061802	52280000	TI03-106	02/08/2023					495.94	DR *
									495.94	DR **
									11,264.92	DR ***
									24,976.02	DR *****
									24,976.02	DR *****
									24,976.02	DR *****
									24,976.02	DR *****

South Dakota Board of Accountancy
Balance Sheet
As of February 28, 2023

	Feb 28, 23
ASSETS	
Current Assets	
Checking/Savings	
1130000 · Local Checking - Great Western	385.27
1140000 · Pool Cash State of SD	431,261.50
Total Checking/Savings	431,646.77
Other Current Assets	
1131000 · Interest Income Receivable	-6,549.82
1213000 · Investment Income Receivable	1,236.26
Total Other Current Assets	-5,313.56
Total Current Assets	426,333.21
Fixed Assets	
1670000 · Computer Software	
Original Cost	34,075.00
1770000 · Depreciation	-27,449.36
Total 1670000 · Computer Software	6,625.64
Total Fixed Assets	6,625.64
TOTAL ASSETS	432,958.85
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	4,666.70
Total Accounts Payable	4,666.70
Other Current Liabilities	
2430000 · Accrued Wages Payable	11,529.81
2810000 · Amounts Held for Others	23,714.92
Total Other Current Liabilities	35,244.73
Total Current Liabilities	39,911.43
Long Term Liabilities	
2960000 · Compensated Absences Payable	32,104.79
Total Long Term Liabilities	32,104.79
Total Liabilities	72,016.22
Equity	
3220000 · Net Position	311,199.10
3300100 · Invested In Capital Assets	6,625.92
3900 · Retained Earnings	-22,714.83
Net Income	65,832.44
Total Equity	360,942.63
TOTAL LIABILITIES & EQUITY	432,958.85

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July 2022 through February 2023

	Jul '22 - Feb 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,250.00	2,500.00	-1,250.00	50.0%
4293551 · Certificate Renewals-Active	64,520.00	62,500.00	2,020.00	103.2%
4293552 · Certificate Renewals-Inactive	18,450.00	19,500.00	-1,050.00	94.6%
4293553 · Certificate Renewals-Retired	1,760.00	1,500.00	260.00	117.3%
4293554 · Initial Firm Permits	600.00	700.00	-100.00	85.7%
4293555 · Firm Permit Renewals	14,300.00	14,500.00	-200.00	98.6%
4293557 · Initial Audit	270.00	900.00	-630.00	30.0%
4293558 · Re-Exam Audit	1,020.00	2,460.00	-1,440.00	41.5%
4293560 · Late Fees-Initial Certificate	150.00	0.00	150.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,450.00	3,000.00	-550.00	81.7%
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	350.00	500.00	-150.00	70.0%
4293564 · Late Fees-Peer Review	850.00	1,300.00	-450.00	65.4%
4293566 · Firm Permit Owners	122,650.00	109,000.00	13,650.00	112.5%
4293567 · Peer Review Admin Fee	1,050.00	5,500.00	-4,450.00	19.1%
4293568 · Firm Permit Name Change	125.00	100.00	25.00	125.0%
4293569 · Initial FAR	450.00	1,140.00	-690.00	39.5%
4293570 · Initial REG	60.00	660.00	-600.00	9.1%
4293571 · Inital BEC	240.00	930.00	-690.00	25.8%
4293572 · Re-Exam FAR	780.00	1,860.00	-1,080.00	41.9%
4293573 · Re-Exam REG	900.00	2,310.00	-1,410.00	39.0%
4293574 · Re-Exam BEC	840.00	2,310.00	-1,470.00	36.4%
4491000 · Interest and Dividend Revenue	4,114.85	9,500.00	-5,385.15	43.3%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
Total Income	237,179.85	243,670.00	-6,490.15	97.3%
Expense				
5101000 · Annual/Sick Leave Compensation	-8,281.67			
5101010 · F-T Emp Sal & Wages	41,744.12	82,212.00	-40,467.88	50.8%
5101020 · P-T/Temp Emp Sal & Wages	30,631.91	50,018.00	-19,386.09	61.2%
5101030 · Board & Comm Mbrs Fees	3,420.00	5,509.00	-2,089.00	62.1%
5102010 · OASI-Employer's Share	2,345.55	10,116.00	-7,770.45	23.2%
5102020 · Retirement-ER Share	4,337.82	7,934.00	-3,596.18	54.7%
5102060 · Health /Life Ins.-ER Share	15,458.98	25,433.00	-9,974.02	60.8%
5102080 · Worker's Compensation	173.62	198.00	-24.38	87.7%
5102090 · Unemployment Insurance	9.45	132.00	-122.55	7.2%
5203010 · Auto--State Owned	183.60	250.00	-66.40	73.4%
5203020 · Auto-Private-Ownes Low Mileage	119.37	400.00	-280.63	29.8%
5203030 · In State-Auto- Priv. High Miles	528.36	1,500.00	-971.64	35.2%
5203100 · In State-Lodging	225.00	1,000.00	-775.00	22.5%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203140 · InState-Tax Meals Not Overnigt	42.00	100.00	-58.00	42.0%
5203150 · InState-Non-Tax Meals OverNight	194.00	400.00	-206.00	48.5%
5203230 · OS-Auto Private High Mileage	0.00	200.00	-200.00	0.0%
5203260 · OS-Air Commercial Carrier	3,006.10	7,000.00	-3,993.90	42.9%
5203280 · OS-Other Public Carrier	316.07	700.00	-383.93	45.2%
5203300 · OS-Lodging	3,544.98	9,000.00	-5,455.02	39.4%
5203320 · OS-Incidentals to Travel	154.00	500.00	-346.00	30.8%

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July 2022 through February 2023

	Jul '22 - Feb 23	Budget	\$ Over Budget	% of Budget
5203350 · OS-Non-Taxable Meals Overnight	454.00	1,000.00	-546.00	45.4%
5204010 · Subscriptions	452.55	1,300.00	-847.45	34.8%
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	3,900.00	3,700.00	200.00	105.4%
5204050 · Consultant Fees - Computer	17,777.79	25,000.00	-7,222.21	71.1%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	4,320.00	7,500.00	-3,180.00	57.6%
5204180 · Computer Services-State	2,746.50	6,000.00	-3,253.50	45.8%
5204181 · Computer Development Serv-State	77.18	2,000.00	-1,922.82	3.9%
5204200 · Central Services	5,141.67	9,000.00	-3,858.33	57.1%
5204220 · Equipment Service & Maintenance	40.35	300.00	-259.65	13.5%
5204230 · Janitorial/Maintenance Services	1,278.72	1,825.00	-546.28	70.1%
5204330 · Computer Software Lease	368.89	190.00	178.89	194.2%
5204340 · Computer Software Maintenance	0.00	1,000.00	-1,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	500.00	-500.00	0.0%
5204390 · Advertising-Brochures	0.00	0.00	0.00	0.0%
5204440 · Newsletter Publishing	0.00	100.00	-100.00	0.0%
5204460 · Equipment Rental	2,598.08	4,000.00	-1,401.92	65.0%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	11,046.00	16,569.00	-5,523.00	66.7%
5204510 · Rent-Other	0.00	500.00	-500.00	0.0%
5204530 · Telecommunications Services	2,234.92	5,500.00	-3,265.08	40.6%
5204540 · Electricity	396.23	900.00	-503.77	44.0%
5204560 · Water	70.05	240.00	-169.95	29.2%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,210.00	-1,210.00	0.0%
5204730 · Maintenance Contracts	0.00	0.00	0.00	0.0%
5204740 · Bank Fees and Charges	5,220.47	6,650.00	-1,429.53	78.5%
5204960 · Other Contractual Services	0.00	0.00	0.00	0.0%
5205020 · Office Supplies	589.06	3,000.00	-2,410.94	19.6%
5205028 · OFFICE SUPPLIES-2	0.00	0.00	0.00	0.0%
5205310 · Printing State	0.00	100.00	-100.00	0.0%
5205320 · Printing/Duplicating/Binding Co	116.80	500.00	-383.20	23.4%
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	2,000.00	2,000.00	0.00	100.0%
5205700 · Retail Gasoline	39.75	0.00	39.75	100.0%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207491 · Telephone Equip	1,810.00			
5207900 · Computer Hardware	67.25	6,800.00	-6,732.75	1.0%
5207950 · System Development	0.00	1,000.00	-1,000.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	1,000.00	-1,000.00	0.0%
5228000 · Operating Transfers Out-NonBudg	3,461.81	8,300.00	-4,838.19	41.7%
5228030 · Depreciation Expense	3,786.08	5,679.12	-1,893.04	66.7%
Total Expense	171,347.41	331,565.12	-160,217.71	51.7%
Net Ordinary Income	65,832.44	-87,895.12	153,727.56	-74.9%
Net Income	65,832.44	-87,895.12	153,727.56	-74.9%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
February 2023

	Feb 23	Feb 22	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	75.00	75.00	0.00	0.0%
4293551 · Certificate Renewals-Active	0.00	40.00	-40.00	-100.0%
4293552 · Certificate Renewals-Inactive	0.00	50.00	-50.00	-100.0%
4293554 · Initial Firm Permits	50.00	50.00	0.00	0.0%
4293557 · Initial Audit	0.00	60.00	-60.00	-100.0%
4293558 · Re-Exam Audit	90.00	30.00	60.00	200.0%
4293561 · Late Fees-Certificate 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	130.00	130.00	0.00	0.0%
4293567 · Peer Review Admin Fee	75.00	0.00	75.00	100.0%
4293569 · Initial FAR	60.00	90.00	-30.00	-33.3%
4293570 · Initial REG	0.00	90.00	-90.00	-100.0%
4293571 · Initial BEC	90.00	-159.99	249.99	156.3%
4293572 · Re-Exam FAR	60.00	60.00	0.00	0.0%
4293573 · Re-Exam REG	30.00	150.00	-120.00	-80.0%
4293574 · Re-Exam BEC	60.00	90.00	-30.00	-33.3%
4491000 · Interest and Dividend Revenue	0.08	0.00	0.08	100.0%
4896021 · Legal Recovery Cost	0.00	300.00	-300.00	-100.0%
Total Income	720.08	1,155.01	-434.93	-37.7%
Expense				
5101010 · F-T Emp Sal & Wages	7,375.50	5,511.22	1,864.28	33.8%
5101020 · P-T/Temp Emp Sal & Wages	3,167.21	4,111.29	-944.08	-23.0%
5101030 · Board & Comm Mbrs Fees	0.00	300.00	-300.00	-100.0%
5102010 · OASI-Employer's Share	732.99	606.43	126.56	20.9%
5102020 · Retirement-ER Share	632.56	577.30	55.26	9.6%
5102060 · Health /Life Ins.-ER Share	1,776.16	2,493.15	-716.99	-28.8%
5102080 · Worker's Compensation	25.31	18.29	7.02	38.4%
5102090 · Unemployment Insurance	1.37	0.95	0.42	44.2%
5204180 · Computer Services-State	0.00	528.30	-528.30	-100.0%
5204200 · Central Services	281.86	1,182.45	-900.59	-76.2%
5204220 · Equipment Service & Maintenance	5.26	5.18	0.08	1.5%
5204230 · Janitorial/Maintenance Services	159.84	145.31	14.53	10.0%
5204460 · Equipment Rental	751.36	751.36	0.00	0.0%
5204490 · Rents Privately Owned Property	1,380.75	1,380.75	0.00	0.0%
5204530 · Telecommunications Services	102.82	306.36	-203.54	-66.4%
5204540 · Electricity	0.00	74.25	-74.25	-100.0%
5204740 · Bank Fees and Charges	72.72	86.67	-13.95	-16.1%
5205020 · Office Supplies	33.57	299.61	-266.04	-88.8%
5207491 · Telephone Equip	1,810.00	0.00	1,810.00	100.0%
5228000 · Operating Transfers Out-NonBudg	495.94	626.18	-130.24	-20.8%
5228030 · Depreciation Expense	473.26	473.26	0.00	0.0%
Total Expense	19,278.48	19,478.31	-199.83	-1.0%
Net Ordinary Income	-18,558.40	-18,323.30	-235.10	-1.3%
Net Income	-18,558.40	-18,323.30	-235.10	-1.3%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
 July 2022 through February 2023

	Jul '22 - Feb 23	Jul '21 - Feb 22	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,250.00	1,700.00	-450.00	-26.5%
4293551 · Certificate Renewals-Active	64,520.00	65,180.00	-660.00	-1.0%
4293552 · Certificate Renewals-Inactive	18,450.00	19,900.00	-1,450.00	-7.3%
4293553 · Certificate Renewals-Retired	1,760.00	1,610.00	150.00	9.3%
4293554 · Initial Firm Permits	600.00	550.00	50.00	9.1%
4293555 · Firm Permit Renewals	14,300.00	14,950.00	-650.00	-4.4%
4293557 · Initial Audit	270.00	300.00	-30.00	-10.0%
4293558 · Re-Exam Audit	1,020.00	1,006.12	13.88	1.4%
4293560 · Late Fees-Initial Certificate	150.00	100.00	50.00	50.0%
4293561 · Late Fees-Certificate Renewals	2,450.00	2,850.00	-400.00	-14.0%
4293563 · Late Fees-Firm Permit Renewals	350.00	650.00	-300.00	-46.2%
4293564 · Late Fees-Peer Review	850.00	950.00	-100.00	-10.5%
4293566 · Firm Permit Owners	122,650.00	129,380.00	-6,730.00	-5.2%
4293567 · Peer Review Admin Fee	1,050.00	600.00	450.00	75.0%
4293568 · Firm Permit Name Change	125.00	100.00	25.00	25.0%
4293569 · Initial FAR	450.00	630.00	-180.00	-28.6%
4293570 · Initial REG	60.00	360.00	-300.00	-83.3%
4293571 · Initial BEC	240.00	270.00	-30.00	-11.1%
4293572 · Re-Exam FAR	780.00	1,200.00	-420.00	-35.0%
4293573 · Re-Exam REG	900.00	1,110.00	-210.00	-18.9%
4293574 · Re-Exam BEC	840.00	780.00	60.00	7.7%
4491000 · Interest and Dividend Revenue	4,114.85	7,149.03	-3,034.18	-42.4%
4896021 · Legal Recovery Cost	0.00	3,651.89	-3,651.89	-100.0%
Total Income	237,179.85	254,977.04	-17,797.19	-7.0%
Expense				
5101000 · Annual/Sick Leave Compensation	-8,281.67	0.00	-8,281.67	-100.0%
5101010 · F-T Emp Sal & Wages	41,744.12	45,227.86	-3,483.74	-7.7%
5101020 · P-T/Temp Emp Sal & Wages	30,631.91	34,075.19	-3,443.28	-10.1%
5101030 · Board & Comm Mbrs Fees	3,420.00	3,360.00	60.00	1.8%
5102010 · OASI-Employer's Share	2,345.55	5,118.07	-2,772.52	-54.2%
5102020 · Retirement-ER Share	4,337.82	4,758.17	-420.35	-8.8%
5102060 · Health /Life Ins.-ER Share	15,458.98	20,050.83	-4,591.85	-22.9%
5102080 · Worker's Compensation	173.62	120.57	53.05	44.0%
5102090 · Unemployment Insurance	9.45	7.38	2.07	28.1%
5203010 · Auto--State Owned	183.60	0.00	183.60	100.0%
5203020 · Auto-Private-Ownes Low Mileage	119.37	141.22	-21.85	-15.5%
5203030 · In State-Auto- Priv. High Miles	528.36	687.96	-159.60	-23.2%
5203100 · In State-Lodging	225.00	169.00	56.00	33.1%
5203140 · InState-Tax Meals Not OverNigt	42.00	42.00	0.00	0.0%
5203150 · InState-Non-Tax Meals OverNight	194.00	94.00	100.00	106.4%
5203260 · OS-Air Commercial Carrier	3,006.10	0.00	3,006.10	100.0%
5203280 · OS-Other Public Carrier	316.07	0.00	316.07	100.0%
5203300 · OS-Lodging	3,544.98	0.00	3,544.98	100.0%
5203320 · OS-Incidentals to Travel	154.00	0.00	154.00	100.0%
5203350 · OS-Non-Taxable Meals Overnight	454.00	0.00	454.00	100.0%
5204010 · Subscriptions	452.55	422.55	30.00	7.1%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204040 · Consultant Fees-Accounting	3,900.00	3,700.00	200.00	5.4%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
July 2022 through February 2023

	Jul '22 - Feb 23	Jul '21 - Feb 22	\$ Change	% Change
5204050 - Consultant Fees - Computer	17,777.79	16,614.75	1,163.04	7.0%
5204160 - Workshop Registration Fees	4,320.00	0.00	4,320.00	100.0%
5204180 - Computer Services-State	2,746.50	3,665.10	-918.60	-25.1%
5204181 - Computer Development Serv-State	77.18	162.50	-85.32	-52.5%
5204200 - Central Services	5,141.67	5,920.30	-778.63	-13.2%
5204220 - Equipment Service & Maintenance	40.35	38.84	1.51	3.9%
5204230 - Janitorial/Maintenance Services	1,278.72	1,162.48	116.24	10.0%
5204330 - Computer Software Lease	368.89	714.70	-345.81	-48.4%
5204460 - Equipment Rental	2,598.08	2,778.13	-180.05	-6.5%
5204490 - Rents Privately Owned Property	11,046.00	11,046.00	0.00	0.0%
5204530 - Telecommunications Services	2,234.92	1,583.88	651.04	41.1%
5204540 - Electricity	396.23	529.97	-133.74	-25.2%
5204560 - Water	70.05	89.40	-19.35	-21.6%
5204740 - Bank Fees and Charges	5,220.47	3,874.20	1,346.27	34.8%
5205020 - Office Supplies	589.06	563.45	25.61	4.6%
5205320 - Printing/Duplicating/Binding Co	116.80	138.70	-21.90	-15.8%
5205350 - Postage	2,000.00	0.00	2,000.00	100.0%
5205700 - Retail Gasoline	39.75	0.00	39.75	100.0%
5207491 - Telephone Equip	1,810.00	0.00	1,810.00	100.0%
5207900 - Computer Hardware	67.25	0.00	67.25	100.0%
5228000 - Operating Transfers Out-NonBudg	3,461.81	4,647.75	-1,185.94	-25.5%
5228030 - Depreciation Expense	3,786.08	3,786.08	0.00	0.0%
Total Expense	171,347.41	178,491.03	-7,143.62	-4.0%
Net Ordinary Income	65,832.44	76,486.01	-10,653.57	-13.9%
Net Income	65,832.44	76,486.01	-10,653.57	-13.9%

BAL409R1

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 01/31/2023

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	464,490.50	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			464,490.50	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			464,490.50	DR **	
BUDGET UNIT TOTAL 1031			464,490.50	DR ***	

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 01/31/2023

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPL # OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
COMPANY NO 6503 PROFESSIONAL & LICENSING BOARDS										
6503	103100061802	51010100	CGEX221229	01/04/2023					3,216.89	DR
6503	103100061802	51010100	CGEX230111	01/13/2023					3,236.82	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES										
6503	103100061802	51010200	CGEX221229	01/04/2023					6,453.71	DR *
6503	103100061802	51010200	CGEX230111	01/13/2023					1,436.29	DR
6503	103100061802	51010200	CGEX230111	01/13/2023					1,385.15	DR
OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES										
6503	103100061802	51010300	CGEX230105	01/06/2023					2,821.44	DR *
OBJSUB: 5101030 BOARD & COMM MERS FEES										
6503	103100061802	51020100	CGEX221229	01/04/2023					300.00	DR **
6503	103100061802	51020100	CGEX230105	01/06/2023					9,575.15	DR **
6503	103100061802	51020100	CGEX230111	01/13/2023					320.96	DR
6503	103100061802	51020100	CGEX230111	01/13/2023					22.95	DR
6503	103100061802	51020100	CGEX230111	01/13/2023					318.25	DR
OBJSUB: 5102010 QASI-EMPLOYER'S SHARE										
6503	103100061802	51020200	CGEX221229	01/04/2023					662.16	DR *
6503	103100061802	51020200	CGEX230111	01/13/2023					279.20	DR
6503	103100061802	51020200	CGEX230111	01/13/2023					277.31	DR
OBJSUB: 5102020 RETIREMENT-ER SHARE										
6503	103100061802	51020600	CGEX221229	01/04/2023					556.51	DR *
6503	103100061802	51020600	CGEX230111	01/13/2023					835.47	DR
6503	103100061802	51020600	CGEX230111	01/13/2023					839.43	DR
OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE										
6503	103100061802	51020800	CGEX221229	01/04/2023					1,674.90	DR *
6503	103100061802	51020800	CGEX230111	01/13/2023					11.15	DR
6503	103100061802	51020800	CGEX230111	01/13/2023					11.09	DR
OBJSUB: 5102080 WORKER'S COMPENSATION										
6503	103100061802	51020900	CGEX221229	01/04/2023					22.24	DR *
6503	103100061802	51020900	CGEX230111	01/13/2023					.61	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION										
6503	103100061802	51020900	CGEX221229	01/04/2023					2,917.02	DR **
6503	103100061802	51020900	CGEX230111	01/13/2023					12,492.17	DR ***
OBJSUB: 5102090 EMPLOYEE BENEFITS										
6503	103100061802	52030100	MP311049	01/06/2023					183.60	DR
OBJSUB: 5203010 AUTO-STATE OWNED-IN STATE TRAVEL										
6503	103100061802	52040400	SDKCPAS	01/20/2023			12607934		183.60	DR *
6503	103100061802	52040400	SDKCPAS	01/20/2023			12607934		1,500.00	DR **
6503	103100061802	52040400	SDKCPAS	01/20/2023			12607934		1,500.00	DR
6503	103100061802	52040400	SDKCPAS	01/20/2023			12607934		900.00	DR
OBJSUB: 5204040 ACCOUNTING CONSULTANT										
6503	103100061802	52041600	0001481	02/03/2023			NATONALIAS	12005047	3,900.00	DR *
6503	103100061802	52041600	0001481	02/03/2023			NATONALIAS	12005047	845.00	DR *

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 01/31/2023

AGENCY BUDGET CENTER	UNIT	LABOR & REGULATION BOARD OF ACCOUNTANCY - INFO BOARD OF ACCOUNTANCY	COMP CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPL # OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
6503	103100061802	5204160	WORKSHOP REGISTRATION FEE	DP312098	01/20/2023						845.00	DR *
6503	103100061802	5204180	COMPUTER SERVICES-STATE	PL312055	01/13/2023						528.30	DR *
6503	103100061802	5204200	COMPUTER SERVICES-STATE	RM312050	01/13/2023						129.92	DR *
6503	103100061802	5204200	CENTRAL SERVICES	IN1013144	01/11/2023						88.88	DR *
6503	103100061802	5204220	EQUIPMENT SERV & MAINT	231004 JUL-JUN23	01/18/2023						218.80	DR *
6503	103100061802	5204230	JANITORIAL & MAINT SERV	ACCOUNTRENT22-23	01/25/2023						82.48	DR *
6503	103100061802	5204521	REVENUE BOND LEASE PYMTS	TL312152	01/13/2023						159.84	DR *
6503	103100061802	5204530	TELECOMMUNICATIONS SVCS	5159417006 1122	01/04/2023						1,380.75	DR *
6503	103100061802	5204540	ELECTRICITY	CI103A-017	01/20/2023						159.84	DR *
6503	103100061802	5204740	BANK FEES AND CHARGES	841	02/03/2023						159.84	DR *
6503	103100061802	5204960	OTHER CONTRACTUAL SERVICE	IN4068932	01/27/2023						70.65	DR *
6503	103100061802	5205020	CONTRACTUAL SERVICES	0002158	01/20/2023						6,214.27	DR *
6503	103100061802	5205020	CONTRACTUAL SERVICES	10423	01/25/2023						6,614.73	DR *
6503	103100061802	5205040	OFFICE SUPPLIES	4805610915	01/27/2023						12,829.00	DR *
6503	103100061802	5205320	EDUC & INSTRUC SUPPLIES	224833733	01/27/2023						20,285.00	DR **
6503	103100061802	5205320	EDUC & INSTRUC SUPPLIES	33163	01/11/2023						134.07	DR *
6503	103100061802	5205320	PRINTING-COMMERCIAL SUPPLIES & MATERIALS	T103-091	01/06/2023						25.35	DR *
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT								50.92	DR *
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT								210.34	DR *
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT								452.55	DR *
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT								452.55	DR *
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT								69.63	DR *
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT								732.52	DR **
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT								484.90	DR **
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT								484.90	DR **

South Dakota Board of Accountancy
Balance Sheet
As of January 31, 2023

	Jan 31, 23
ASSETS	
Current Assets	
Checking/Savings	
1130000 · Local Checking - Great Western	385.19
1140000 · Pool Cash State of SD	464,490.50
Total Checking/Savings	464,875.69
Other Current Assets	
1131000 · Interest Income Receivable	-6,549.82
1213000 · Investment Income Receivable	1,236.26
Total Other Current Assets	-5,313.56
Total Current Assets	459,562.13
Fixed Assets	
1670000 · Computer Software	
Original Cost	34,075.00
1770000 · Depreciation	-26,976.10
Total 1670000 · Computer Software	7,098.90
Total Fixed Assets	7,098.90
TOTAL ASSETS	466,661.03
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	16,039.77
Total Accounts Payable	16,039.77
Other Current Liabilities	
2430000 · Accrued Wages Payable	11,529.81
2810000 · Amounts Held for Others	20,618.97
Total Other Current Liabilities	32,148.78
Total Current Liabilities	48,188.55
Long Term Liabilities	
2960000 · Compensated Absences Payable	32,104.79
Total Long Term Liabilities	32,104.79
Total Liabilities	80,293.34
Equity	
3220000 · Net Position	310,725.84
3300100 · Invested In Capital Assets	7,099.18
3900 · Retained Earnings	-22,714.83
Net Income	91,257.50
Total Equity	386,367.69
TOTAL LIABILITIES & EQUITY	466,661.03

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July 2022 through January 2023

	Jul '22 - Jan 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,175.00	2,500.00	-1,325.00	47.0%
4293551 · Certificate Renewals-Active	64,520.00	62,500.00	2,020.00	103.2%
4293552 · Certificate Renewals-Inactive	18,450.00	19,500.00	-1,050.00	94.6%
4293553 · Certificate Renewals-Retired	1,760.00	1,500.00	260.00	117.3%
4293554 · Initial Firm Permits	550.00	700.00	-150.00	78.6%
4293555 · Firm Permit Renewals	14,300.00	14,500.00	-200.00	98.6%
4293557 · Initial Audit	270.00	900.00	-630.00	30.0%
4293558 · Re-Exam Audit	930.00	2,460.00	-1,530.00	37.8%
4293560 · Late Fees-Initial Certificate	150.00	0.00	150.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,450.00	3,000.00	-550.00	81.7%
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	350.00	500.00	-150.00	70.0%
4293564 · Late Fees-Peer Review	850.00	1,300.00	-450.00	65.4%
4293566 · Firm Permit Owners	122,520.00	109,000.00	13,520.00	112.4%
4293567 · Peer Review Admin Fee	975.00	5,500.00	-4,525.00	17.7%
4293568 · Firm Permit Name Change	125.00	100.00	25.00	125.0%
4293569 · Initial FAR	390.00	1,140.00	-750.00	34.2%
4293570 · Initial REG	60.00	660.00	-600.00	9.1%
4293571 · Initial BEC	150.00	930.00	-780.00	16.1%
4293572 · Re-Exam FAR	720.00	1,860.00	-1,140.00	38.7%
4293573 · Re-Exam REG	870.00	2,310.00	-1,440.00	37.7%
4293574 · Re-Exam BEC	780.00	2,310.00	-1,530.00	33.8%
4491000 · Interest and Dividend Revenue	4,114.77	9,500.00	-5,385.23	43.3%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
Total Income	236,459.77	243,670.00	-7,210.23	97.0%
Expense				
5101000 · Annual/Sick Leave Compensation	-8,281.67			
5101010 · F-T Emp Sal & Wages	34,368.62	82,212.00	-47,843.38	41.8%
5101020 · P-T/Temp Emp Sal & Wages	27,464.70	50,018.00	-22,553.30	54.9%
5101030 · Board & Comm Mbrs Fees	3,420.00	5,509.00	-2,089.00	62.1%
5102010 · OASI-Employer's Share	1,612.56	10,116.00	-8,503.44	15.9%
5102020 · Retirement-ER Share	3,705.26	7,934.00	-4,228.74	46.7%
5102060 · Health /Life Ins.-ER Share	13,682.82	25,433.00	-11,750.18	53.8%
5102080 · Worker's Compensation	148.31	198.00	-49.69	74.9%
5102090 · Unemployment Insurance	8.08	132.00	-123.92	6.1%
5203010 · Auto--State Owned	183.60	250.00	-66.40	73.4%
5203020 · Auto-Private-Ownes Low Mileage	119.37	400.00	-280.63	29.8%
5203030 · In State-Auto- Priv. High Miles	528.36	1,500.00	-971.64	35.2%
5203100 · In State-Lodging	225.00	1,000.00	-775.00	22.5%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203140 · InState-Tax Meals Not Overnigt	42.00	100.00	-58.00	42.0%
5203150 · InState-Non-Tax Meals OverNight	194.00	400.00	-206.00	48.5%
5203230 · OS-Auto Private High Mileage	0.00	200.00	-200.00	0.0%
5203260 · OS-Air Commercial Carrier	3,006.10	7,000.00	-3,993.90	42.9%
5203280 · OS-Other Public Carrier	316.07	700.00	-383.93	45.2%
5203300 · OS-Lodging	3,544.98	9,000.00	-5,455.02	39.4%
5203320 · OS-Incidentals to Travel	154.00	500.00	-346.00	30.8%

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July 2022 through January 2023

	Jul '22 - Jan 23	Budget	\$ Over Budget	% of Budget
5203350 · OS-Non-Taxable Meals Overnight	454.00	1,000.00	-546.00	45.4%
5204010 · Subscriptions	452.55	1,300.00	-847.45	34.8%
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	3,900.00	3,700.00	200.00	105.4%
5204050 · Consultant Fees - Computer	11,851.86	25,000.00	-13,148.14	47.4%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	4,320.00	7,500.00	-3,180.00	57.6%
5204180 · Computer Services-State	2,113.20	6,000.00	-3,886.80	35.2%
5204181 · Computer Development Serv-State	0.00	2,000.00	-2,000.00	0.0%
5204200 · Central Services	4,859.81	9,000.00	-4,140.19	54.0%
5204220 · Equipment Service & Maintenance	35.09	300.00	-264.91	11.7%
5204230 · Janitorial/Maintenance Services	1,118.88	1,825.00	-706.12	61.3%
5204330 · Computer Software Lease	368.89	190.00	178.89	194.2%
5204340 · Computer Software Maintenance	0.00	1,000.00	-1,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	500.00	-500.00	0.0%
5204390 · Advertising-Brochures	0.00	0.00	0.00	0.0%
5204440 · Newsletter Publishing	0.00	100.00	-100.00	0.0%
5204460 · Equipment Rental	1,846.72	4,000.00	-2,153.28	46.2%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	9,665.25	16,569.00	-6,903.75	58.3%
5204510 · Rent-Other	0.00	500.00	-500.00	0.0%
5204530 · Telecommunications Services	2,025.08	5,500.00	-3,474.92	36.8%
5204540 · Electricity	319.60	900.00	-580.40	35.5%
5204560 · Water	70.05	240.00	-169.95	29.2%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,210.00	-1,210.00	0.0%
5204730 · Maintenance Contracts	0.00	0.00	0.00	0.0%
5204740 · Bank Fees and Charges	5,147.75	6,650.00	-1,502.25	77.4%
5204960 · Other Contractual Services	0.00	0.00	0.00	0.0%
5205020 · Office Supplies	530.79	3,000.00	-2,469.21	17.7%
5205028 · OFFICE SUPPLIES-2	0.00	0.00	0.00	0.0%
5205310 · Printing State	0.00	100.00	-100.00	0.0%
5205320 · Printing/Duplicating/Binding Co	94.90	500.00	-405.10	19.0%
5205330 · Supplemental Publications	0.00	700.00	-700.00	0.0%
5205340 · Microfilm Supplies/Materials	0.00	0.00	0.00	0.0%
5205350 · Postage	2,000.00	2,000.00	0.00	100.0%
5205700 · Retail Gasoline	39.75	0.00	39.75	100.0%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207900 · Computer Hardware	67.25	6,800.00	-6,732.75	1.0%
5207950 · System Development	0.00	1,000.00	-1,000.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	1,000.00	-1,000.00	0.0%
5228000 · Operating Transfers Out-NonBudg	2,965.87	8,300.00	-5,334.13	35.7%
5228030 · Depreciation Expense	3,312.82	5,679.12	-2,366.30	58.3%
Total Expense	145,202.27	331,565.12	-186,362.85	43.8%
Net Ordinary Income	91,257.50	-87,895.12	179,152.62	-103.8%
Net Income	91,257.50	-87,895.12	179,152.62	-103.8%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
January 2023

	Jan 23	Jan 22	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	50.00	225.00	-175.00	-77.8%
4293551 · Certificate Renewals-Active	120.00	0.00	120.00	100.0%
4293552 · Certificate Renewals-Inactive	0.00	50.00	-50.00	-100.0%
4293554 · Initial Firm Permits	100.00	250.00	-150.00	-60.0%
4293555 · Firm Permit Renewals	0.00	50.00	-50.00	-100.0%
4293557 · Initial Audit	0.00	30.00	-30.00	-100.0%
4293558 · Re-Exam Audit	60.00	60.00	0.00	0.0%
4293561 · Late Fees-Certificate 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	1,630.00	1,040.00	590.00	56.7%
4293568 · Firm Permit Name Change	25.00	25.00	0.00	0.0%
4293569 · Initial FAR	60.00	150.00	-90.00	-60.0%
4293570 · Initial REG	0.00	30.00	-30.00	-100.0%
4293571 · Initial BEC	0.00	219.99	-219.99	-100.0%
4293572 · Re-Exam FAR	60.00	90.00	-30.00	-33.3%
4293573 · Re-Exam REG	60.00	60.00	0.00	0.0%
4293574 · Re-Exam BEC	0.00	60.00	-60.00	-100.0%
4491000 · Interest and Dividend Revenue	0.11	0.00	0.11	100.0%
Total Income	2,165.11	2,439.99	-274.88	-11.3%
Expense				
5101010 · F-T Emp Sal & Wages	6,453.71	5,608.79	844.92	15.1%
5101020 · P-T/Temp Emp Sal & Wages	2,821.44	3,995.88	-1,174.44	-29.4%
5101030 · Board & Comm Mbrs Fees	300.00	60.00	240.00	400.0%
5102010 · OASI-Employer's Share	662.16	586.17	75.99	13.0%
5102020 · Retirement-ER Share	556.51	576.30	-19.79	-3.4%
5102060 · Health /Life Ins.-ER Share	1,674.90	2,505.07	-830.17	-33.1%
5102080 · Worker's Compensation	22.24	18.20	4.04	22.2%
5102090 · Unemployment Insurance	1.21	0.97	0.24	24.7%
5204010 · Subscriptions	452.55	0.00	452.55	100.0%
5204050 · Consultant Fees - Computer	0.00	5,538.25	-5,538.25	-100.0%
5204160 · Workshop Registration Fees	845.00	0.00	845.00	100.0%
5204180 · Computer Services-State	0.00	528.30	-528.30	-100.0%
5204200 · Central Services	218.80	342.78	-123.98	-36.2%
5204220 · Equipment Service & Maintenance	3.48	4.48	-1.00	-22.3%
5204230 · Janitorial/Maintenance Services	159.84	145.31	14.53	10.0%
5204460 · Equipment Rental	79.00	79.00	0.00	0.0%
5204490 · Rents Privately Owned Property	1,380.75	1,380.75	0.00	0.0%
5204530 · Telecommunications Services	102.32	102.80	-0.48	-0.5%
5204540 · Electricity	0.00	82.87	-82.87	-100.0%
5204560 · Water	25.35	22.35	3.00	13.4%
5204740 · Bank Fees and Charges	70.65	313.35	-242.70	-77.5%
5205020 · Office Supplies	184.99	104.92	80.07	76.3%
5205320 · Printing/Duplicating/Binding Co	0.00	40.15	-40.15	-100.0%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
January 2023

	<u>Jan 23</u>	<u>Jan 22</u>	<u>\$ Change</u>	<u>% Change</u>
5228000 · Operating Transfers Out-NonBudg	484.90	660.27	-175.37	-26.6%
5228030 · Depreciation Expense	473.26	473.26	0.00	0.0%
Total Expense	<u>16,973.06</u>	<u>23,170.22</u>	<u>-6,197.16</u>	<u>-26.8%</u>
Net Ordinary Income	<u>-14,807.95</u>	<u>-20,730.23</u>	<u>5,922.28</u>	<u>28.6%</u>
Net Income	<u><u>-14,807.95</u></u>	<u><u>-20,730.23</u></u>	<u><u>5,922.28</u></u>	<u><u>28.6%</u></u>

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
 July 2022 through January 2023

	Jul '22 - Jan 23	Jul '21 - Jan 22	\$ Change	% Change
Ordinary Income/Expense				
Income:				
4293550 · Initial Individual Certificate	1,175.00	1,625.00	-450.00	-27.7%
4293551 · Certificate Renewals-Active	64,520.00	65,140.00	-620.00	-1.0%
4293552 · Certificate Renewals-Inactive	18,450.00	19,850.00	-1,400.00	-7.1%
4293553 · Certificate Renewals-Retired	1,760.00	1,610.00	150.00	9.3%
4293554 · Initial Firm Permits	550.00	500.00	50.00	10.0%
4293555 · Firm Permit Renewals	14,300.00	14,950.00	-650.00	-4.4%
4293557 · Initial Audit	270.00	240.00	30.00	12.5%
4293558 · Re-Exam Audit	930.00	976.12	-46.12	-4.7%
4293560 · Late Fees-Initial Certificate	150.00	100.00	50.00	50.0%
4293561 · Late Fees-Certificate Renewals	2,450.00	2,800.00	-350.00	-12.5%
4293563 · Late Fees-Firm Permit Renewals	350.00	650.00	-300.00	-46.2%
4293564 · Late Fees-Peer Review	850.00	900.00	-50.00	-5.6%
4293566 · Firm Permit Owners	122,520.00	129,250.00	-6,730.00	-5.2%
4293567 · Peer Review Admin Fee	975.00	600.00	375.00	62.5%
4293568 · Firm Permit Name Change	125.00	100.00	25.00	25.0%
4293569 · Initial FAR	390.00	540.00	-150.00	-27.8%
4293570 · Initial REG	60.00	270.00	-210.00	-77.8%
4293571 · Initial BEC	150.00	429.99	-279.99	-65.1%
4293572 · Re-Exam FAR	720.00	1,140.00	-420.00	-36.8%
4293573 · Re-Exam REG	870.00	960.00	-90.00	-9.4%
4293574 · Re-Exam BEC	780.00	690.00	90.00	13.0%
4491000 · Interest and Dividend Revenue	4,114.77	7,149.03	-3,034.26	-42.4%
4896021 · Legal Recovery Cost	0.00	3,351.89	-3,351.89	-100.0%
Total Income	236,459.77	253,822.03	-17,362.26	-6.8%
Expense				
5101000 · Annual/Sick Leave Compensation	-8,281.67	0.00	-8,281.67	-100.0%
5101010 · F-T Emp Sal & Wages	34,368.62	39,716.64	-5,348.02	-13.5%
5101020 · P-T/Temp Emp Sal & Wages	27,464.70	29,963.90	-2,499.20	-8.3%
5101030 · Board & Comm Mbrs Fees	3,420.00	3,060.00	360.00	11.8%
5102010 · OASI-Employer's Share	1,612.56	4,511.64	-2,899.08	-64.3%
5102020 · Retirement-ER Share	3,705.26	4,180.87	-475.61	-11.4%
5102060 · Health /Life Ins.-ER Share	13,682.82	17,557.68	-3,874.86	-22.1%
5102080 · Worker's Compensation	148.31	102.28	46.03	45.0%
5102090 · Unemployment Insurance	8.08	6.43	1.65	25.7%
5203010 · Auto--State Owned	183.60	0.00	183.60	100.0%
5203020 · Auto-Private-Ownes Low Mileage	119.37	141.22	-21.85	-15.5%
5203030 · In State-Auto- Priv. High Miles	528.36	687.96	-159.60	-23.2%
5203100 · In State-Lodging	225.00	169.00	56.00	33.1%
5203140 · InState-Tax Meals Not OverNigt	42.00	42.00	0.00	0.0%
5203150 · InState-Non-Tax Meals OverNigt	194.00	94.00	100.00	106.4%
5203260 · OS-Air Commercial Carrier	3,006.10	0.00	3,006.10	100.0%
5203280 · OS-Other Public Carrier	316.07	0.00	316.07	100.0%
5203300 · OS-Lodging	3,544.98	0.00	3,544.98	100.0%
5203320 · OS-Incidentals to Travel	154.00	0.00	154.00	100.0%
5203350 · OS-Non-Taxable Meals Overnight	454.00	0.00	454.00	100.0%
5204010 · Subscriptions	452.55	422.55	30.00	7.1%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204040 · Consultant Fees-Accounting	3,900.00	3,700.00	200.00	5.4%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
July 2022 through January 2023

	Jul '22 - Jan 23	Jul '21 - Jan 22	\$ Change	% Change
5204050 · Consultant Fees - Computer	11,851.86	16,614.75	-4,762.89	-28.7%
5204160 · Workshop Registration Fees	4,320.00	0.00	4,320.00	100.0%
5204180 · Computer Services-State	2,113.20	3,136.80	-1,023.60	-32.6%
5204181 · Computer Development Serv-State	0.00	162.50	-162.50	-100.0%
5204200 · Central Services	4,859.81	4,737.85	121.96	2.6%
5204220 · Equipment Service & Maintenance	35.09	33.66	1.43	4.3%
5204230 · Janitorial/Maintenance Services	1,118.88	1,017.17	101.71	10.0%
5204330 · Computer Software Lease	368.89	714.70	-345.81	-48.4%
5204460 · Equipment Rental	1,846.72	2,026.77	-180.05	-8.9%
5204490 · Rents Privately Owned Property	9,665.25	9,665.25	0.00	0.0%
5204530 · Telecommunications Services	2,025.08	1,277.52	747.56	58.5%
5204540 · Electricity	319.60	455.72	-136.12	-29.9%
5204560 · Water	70.05	89.40	-19.35	-21.6%
5204740 · Bank Fees and Charges	5,147.75	3,787.53	1,360.22	35.9%
5205020 · Office Supplies	530.79	263.84	266.95	101.2%
5205320 · Printing/Duplicating/Binding Co	94.90	138.70	-43.80	-31.6%
5205350 · Postage	2,000.00	0.00	2,000.00	100.0%
5205700 · Retail Gasoline	39.75	0.00	39.75	100.0%
5207900 · Computer Hardware	67.25	0.00	67.25	100.0%
5228000 · Operating Transfers Out-NonBudg	2,965.87	4,021.57	-1,055.70	-26.3%
5228030 · Depreciation Expense	3,312.82	3,312.82	0.00	0.0%
Total Expense	145,202.27	159,012.72	-13,810.45	-8.7%
Net Ordinary Income	91,257.50	94,809.31	-3,551.81	-3.8%
Net Income	91,257.50	94,809.31	-3,551.81	-3.8%

REPORT TO BOARD ON NASBA REGIONAL CONFERENCE

Nicole Kasin

The NASBA Eastern Regional Conference will be held in Savannah, GA on May 31-June 2, 2023. The Western Regional Conference will be held in Kansas City, MO on June 27-29, 2023.

This is a request for the Board to approve travel for the Executive Director and Board members that will be attending.

NASBA

2023 Western Regional Meeting

Kansas City, MO – June 27- 29, 2023

AGENDA

- 1:30 – 2:30 pm Seminar for Other Attendees: Advancing ARPL's Message Remingtons I
Moderator: John W. Johnson, Director, Legislative and Governmental Affairs, NASBA
- 3:30 pm RECESS
- 4:00 pm Call to Leadership Reception

Thursday, June 29, 2023

- 8:00 – 9:15 am Board of Accountancy Presidents'/Chairs' Breakfast Meeting
- 8:00 – 9:15 am Board of Accountancy Executive Directors' Breakfast Meeting
- 8:00 – 9:15 am BREAKFAST (Meeting Attendees Only)
- 9:30 am – 12:15 pm General Session**
- 10:45 – 11:15 am BREAK
- 12:15 – 1:15 pm LUNCH (Meeting Attendees Only)
- 1:15 – 3:45 pm General Session**
- 2:45 – 3:00 pm BREAK
- 3:45 – 4:00 pm Raffle Drawing
- 4:00 pm ADJOURN
- 6:30 pm Closing Celebration

NASBA

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EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

CPE Audits

The list of licensees has been selected for CPE audits and letters were sent out to those selected on September 15, 2022. The documentation was due in our office no later than October 31, 2022. Additional individuals were added after CPE extension requests were approved or denied. The following is the current status of the audits as of March 15, 2023:

	Selected	Complied	Not Complied	Granted Extension	Approved CPE Audit	Failed CPE Audit
CPA (Active)	131	130	1	0	124	7
CPA – Out of State Affidavit	134	134	0	0	134	0

NASBA Issues/Topics

1. NASBA Committee Interest – Email on 3-1-23; Due 5-5-23
2. CPA Evolution
 - a. Changes proposed for rule updates with effective date of 1/1/24:
 - i. Principles 1 & 2 undergraduate level not counting towards 24 hours in accounting
 1. Responses received from colleges/universities did not have any negative feedback with making this proposal change.
 - ii. Updating language from using sit date to start the 18 month track of time to using the score release date of the passed exam and then the last section is the sit date to give the candidate more opportunity.

Recap of NASBA Executive Directors Conference

1. Legislative Update
 - a. Minnesota bills HF1749 and SF1660
2. Legal Cases and Federal Agency Discipline
3. SEC Enforcement
4. Pipeline Challenges
5. CPE
6. Education and Internships
7. Educator's Prospective on CPA Pipeline
8. CPA Exam Update
9. Peer Review
10. Firm Ownership/Alternative Practice Structure
11. Emerging Issues

Board Discussion

- Any New Business/topics?

DRAFT 8-POINT PLAN TO ADDRESS THE CPA PIPELINE
EXECUTIVE SUMMARY

Introduction

An intentional and consistent effort is required to encourage many talented people to become CPAs. Ensuring that the pipeline of students is robust enough to meet market needs requires a collective effort to address systemic hurdles to entry, including attractiveness, cost, time, and reward.

What follows is a draft package of initiatives designed to better position students and the system for success. This draft plan will continue to grow and evolve through this phase of discussion and will become even more impactful through input from key stakeholders.

Initiatives outlined in brief here will align with the ongoing profession-wide, multi-stakeholder efforts to attract students to the accounting profession, educate and prepare them for licensure, and ready them for careers in accounting.

1. Integrated Education and Experience Program

- The Integrated Education and Experience Program (IEEP) is an AICPA and NASBA sponsored program that would provide university students on a CPA career pathway an opportunity to work at a firm and gain a mix of work experience, study time, and affordable college credit hours after a bachelor's degree is earned and before 150 credit hours of education has been achieved.
- The program is designed to be one of many ways to bridge the gap between education and practice. (Other ways include traditional internships, advance placement high school credits, dual credit high/school college programs, CLEP, community college courses)
- IEEP is a cost-effective, flexible, and scalable alternative route for the student/employee to earn up to 30 hours of academic credit.
- The program is being developed by AICPA and NASBA with input from firms, students, young professionals, academics, state CPA societies, and state boards of accountancy.
- IEEP will increase accessibility to and affordability of entry into the profession for a diverse pool of candidates. The program will benefit both candidates and firms by recruiting more students into the pipeline and helping them reach their CPA licenses.
- Success will mean a pilot program by the Fall 2023.

2. 30-hour Communication Campaign

- While prescriptive guidance on the additional educational hours required for licensure would diminish flexibility students often need, powerful examples of how to achieve 150 hours could eliminate uncertainties among students and further align candidate coursework with firm and employer needs in their new hires.
- This effort will focus on showcasing students using their 30 hours in creative ways that help with career readiness.
- Content for students and their influencers will include presentations, talking points, and other deliverables, informed by survey data from firms on desired skills.
- Success will mean content released at the start of Q2 2023.

3. Extending the 18-month Exam Window for Candidates

- Given the increased work demands on CPA candidates by firms amid other social and external pressures on the candidates, the 18-month window for a CPA candidate to pass all 4 sections of the CPA Exam is viewed as being too restrictive. Greater flexibility is needed to provide additional time for candidates to complete the Exam process.
- We will increase our efforts to work with NASBA and state boards to extend the 18-month window for candidates.
- Work has been done already as part of the launch of the CPA Evolution CPA Exam. CPA Evolution provides an opportunity to pilot this program on January 1, 2024, and NASBA and the state boards are already studying the impact on expanding the testing window post launch of CPA Evolution.
- Adjusting the 18-month period should focus on “high-potential” candidates that have completed over half of the CPA journey, ensuring an additional 1,000 – 3,000 or more licensed CPAs annually.
- Success will mean both an increase in the number of newly licensed CPAs annually and potentially an increase in the percentage of candidates staying in the pipeline through CPA licensure.

4. Consider and Address Jurisdictional Barriers to Initial Licensure

- For decades the profession has worked on uniformity across state lines through the mobility and substantial equivalency provisions contained in the Uniform Accountancy Act (UAA).
- To further advance uniformity and eliminate state specific challenges CPA candidates experience when applying for the CPA Exam and initial licensure, we will work with NASBA and state boards to address the challenges to the licensure path in states that confuse and frustrate CPA candidates, leading to eventual departure.
- This effort will examine how we can streamline and align the regulatory and legal environments and their impact on the journey to the CPA license.
- Success will mean significant reduction in state-by-state regulatory and legal barriers to entry, providing a more transparent and efficient route to the CPA across the U.S.

5. High School and College Strategies

- The AICPA will explore, develop, and execute numerous inter-related strategies to strengthen the pipeline at the high school and college levels.
- At the high school level, the work includes promotion of dual-credit curricula and programs and assessing whether and how to develop an Advanced Placement (AP) course that will provide college credit.
- At the college level, efforts include promotion of dual-credit curricula and programs, customized strategies for online universities, and a prioritized focus on minority serving institutions and HBCUs.
- Success will mean an increase in the 66,000 annual bachelor's and master's graduates in accounting and a return (followed by an increase) to 50% of accounting graduates, or 33,000, becoming first-time CPA candidates.

6. STEM Recognition

- Accounting curricula, particularly at the college and university level, have evolved to reflect the profession's role as a technology driver. Recognition of accounting as a STEM field will reflect how accounting has changed in recent years.
- Legislation introduced in 2021 would allow STEM K-12 grant funding to be used for accounting awareness and education, with a focus on increasing access to underrepresented groups. Further, AICPA nominated accounting and five other curricula (Classification of Instructional Program codes) to be designated as STEM by the Department of Homeland Security.
- In addition to seeking this federal legislation and direct designation of accounting as a STEM field, we are working with colleges and universities to expand their accounting curricula to include additional technology-focused courses to meet the profession's current and future needs.
- Success will mean passage of federal STEM legislation in 2023, designation of one or more accounting curricula fields as STEM by DHS, and greater adoption of STEM curricula and existing STEM CIP codes by college and university accounting programs.

7. Endowment / The AICPA Foundation

- The AICPA Foundation is shifting its strategy to a laser focus on accepting donor contributions and funding students and CPA candidates in financial need in their journey to the CPA or CPA-PhD. The renewed strategy of the Foundation has been approved by the Board of Trustees and 2023 is the transition year.
- In addition to providing financial support, we are in a unique position to work with firms to provide students with access to internships, fellowship, mentorship, and financial scholarships.
- Success will mean growth both in assets and in the number and amount of focused scholarships and internship placements.

8. Stakeholder Calls to Action

- The CPA pipeline is being adversely impacted by a variety of factors. While the rigors of entry into a profession necessarily include certain hurdles – education, exam, and experience – the challenges extend into the broader ecosystem around these three areas.
- We will address the system of attractiveness, cost, time, and reward as a barrier to entry into the profession.
- In this spirit, we will assess and call for changes in the broader ecosystem that result in meaningful and comprehensive solutions to the CPA pipeline concerns. This includes CPA firms, universities, and the regulatory community.
- Success will mean developing dialogue on the broader issues impacting the attractiveness of the CPA profession and creating positive and measurable change across these fronts.

National Association of State Boards of Accountancy, Inc.
Meeting of the Board of Directors
October 28, 2022 – San Diego, CA

1. Call to Order

A meeting of the Board of Directors of the National Association of State Boards of Accountancy was called to order by Chair W. Michael Fritz at 9:00 a.m. PDT on Friday, October 28, 2022. Mr. Fritz asked everyone in attendance to introduce themselves.

Chair Fritz asked President and Chief Executive Officer Ken L. Bishop to report on the meeting's attendance.

2. Report of Attendance

President and CEO Ken Bishop reported the following were in attendance:

Officers

W. Michael Fritz, CPA (OH), Chair
Richard N. Reisig, CPA (MT), Vice Chair
A. Carlos Barrera, CPA (TX), Past Chair
Tyrone E. Dickerson, CPA (VA), Treasurer
Stephanie M. Saunders, CPA (VA), Secretary

Directors-at-Large

J. Coalter Baker, CPA (TX)
Jack Anderson Bonner, Jr., CPA (TN)
Jimmy E. Burkes, CPA (MS)
Maria E. Caldwell, CPA (FL)
Faye D. Miller, CPA (ND)
Nicola Neilon, CPA (NV)
Katrina Salazar, CPA (CA)

Regional Directors

Alison L. Houck Andrew, CPA (DE), Middle Atlantic Regional Director *
Nancy J. Corrigan, CPA (CA), Pacific Regional Director
Larry Elmore, CPA (TN), Southeast Regional Director
Lynn V. Hutchinson, CPA (LA), Southwest Regional Director
Stephen F. Langowski, CPA (NY), Northeast Regional Director
Jason D. Peery, CPA (ID), Mountain Regional Director
Michael Schmitz, CPA (ND) Central Regional Director
Kenya Y. Watts, CPA (OH), Great Lakes Regional Director

Executive Directors' Liaison

Kent Absec (ID), Executive Director, Idaho State Board of Accountancy

Staff

Ken L. Bishop, President and Chief Executive Officer
Colleen K. Conrad, CPA, Executive Vice President and Chief Operating Officer
Michael R. Bryant, CPA, Senior Vice President and Chief Financial Officer

Daniel J. Dustin, CPA, Vice President – State Board Relations
Thomas Kenny, Chief Communications Officer
Troy Walker, CPA, Chief Accounting Officer
Alfonzo Alexander, Chief Ethics and Diversity Officer and President, Center for the Public Trust

Guests

Vikki Nunn, CPA (WY), Mountain Regional Director Nominee
Willie Sims, CPA (MS), Southeast Regional Director Nominee
Richard Silverman, CPA (NH), Northeast Regional Director Nominee
Gerald Weinstein, CPA (OH), Great Lakes Regional Director Nominee
Arthur Winstead, CPA (NC), Middle Atlantic Regional Director Nominee
John Patterson (OH), Executive Directors Committee Chair, 2022-2023

President Bishop announced there was a quorum present.

* Participated virtually

3. Approval of Minutes

Secretary Stephanie Saunders presented the minutes of the July 22, 2022, meeting. Ms. Saunders noted one correction to the minutes and asked if there were any additional corrections. Being that no additional corrections were noted, Ms. Saunders moved that the July 22, 2022, minutes be accepted. Mr. Peery seconded, and the motion passed.

Secretary Stephanie Saunders next presented the minutes of the October 11, 2022, special meeting. Ms. Saunders asked if there were any revisions. Being none, Ms. Saunders moved that the October 11, 2022, minutes be accepted. Ms. Neilon seconded, and the motion passed.

4. Report of the Chair

Chair Fritz reported that he updated the Executive Committee about his activities for the last quarter during the committee's meeting on October 27. He also reported that the committee met with the Committee on Relations with Member Boards and stated that Ms. Watts would summarize that meeting in her report.

Chair Fritz reported that the names of several individuals had been submitted for possible appointment to various outside groups including the Auditing Standards Board, the Professional Ethics Executive Committee, the Uniform CPA Examination Board of Examiners, state board committee and content subcommittees, and a Financial Accounting Standards Board small business advisory committee. Since the NASBA bylaws will not be amended until after the annual business meeting, Chair Fritz asked for a motion to appoint A. Carlos Barrera to fill a vacancy on the Examination Review Board. On a motion by Ms. Miller, seconded by Mr. Dickerson, the board voted

unanimously to approve the appointment.

5. Report from Vice Chair

Mr. Reisig reported a record number of applications from board members for appointment to NASBA committees. He reported that all current board members seeking appointment had been placed on a committee for the 2022-2023 committee year and that appointment letters had been emailed. Mr. Reisig reported that he did need to increase the size of a few committees and some committee assignments were changed from the prior year. He also noted that a small number of associates were not able to be placed on a committee. Mr. Fritz noted that some associate members may be considered for task forces, if needed, or outside appointments.

Mr. Reisig reported that the NASBA new board of director member orientation held in October went well and participants discussed the benefits of taking part in the orientation session.

He also discussed a newly established Pipeline task force that will include nine members to assist boards of accountancy with resources to help with the pipeline issue.

6. Report of the President & CEO

President Bishop reported that management continues to operate within the revenue stream, controlling expenses while not negatively impacting mission spending. He also welcomed new board member nominees, many of whom have been involved with NASBA over the years. He also announced that Troy Walker had been promoted to the position of Chief Accounting Officer.

Executive Vice President and Chief Operating Officer Colleen Conrad provided an organizational update including the filling of the new position of associate director of risk and compliance, recent staff-oriented events and community reinvestment activities in the Nashville and Guam offices.

President Bishop announced that all restrictions related to COVID will be lifted effective January 1, 2023.

Ms. Conrad provided a summary of the organization's outside activities including attendance at an American Accounting Association conference, an AICPA-NASBA leadership summit, and a meeting with the newly appointed President of the New York State Society of CPAs. Chair Fritz noted the importance of interpersonal relationships developed during the summits, mentioning that he also spoke at a recent AICPA Council meeting.

President Bishop discussed a recent International Ethics Standards Board for Accountants (IESBA) meeting held at NASBA's Nashville offices and noted the benefits of having IESBA learn more about NASBA as an organization. Ms. Conrad announced that Chair Fritz was under consideration for an appointment as a NASBA representative

to the IESBA and International Auditing and Accounting Standards Board (IAASB) Consultive Advisory Groups. Mr. Bishop announced that the Mutual Recognition Agreement with Institute of Chartered Accountants of Scotland was renewed for six months with the prospect of the Financial Reporting Council having time to meet a post-BREXIT requirement.

Ms. Conrad reported on an upcoming annual meeting presentation on the examination, an upcoming webinar with the review course providers and outreach to students, academia, boards of accountancy and state societies. She also reported that all boards needing to update their statute or rules to implement CPA Evolution had done so. She also reported on the adoption of the credit extension policy adoption, the fall 2023 implementation timeline and the 2024 testing periods and score holds timeline.

Ms. Conrad provided an overview of various CPA pipeline initiatives, including recent major stakeholders group meetings, AICPA-NASBA staff work group activities focused on internships, NASBA candidate outreach actions, meetings with review course providers, and recent student and academic survey results.

Vice President – State Board Relations Daniel Dustin provided an update on state board relations activities, including outreach by Ms. Conrad, Ms. Patricia Hartman, Director of Client Services, and him, to boards of accountancy, state societies, and other outside groups and organizations.

President Bishop provided information on the number of newly appointed executive directors around the country and provided highlights of a recent NASBA University session held for executive directors in Nashville.

Ms. Conrad reported on a recent National Registry conference for CPE sponsors. This year's conference had a record number of attendees in-person and virtually.

Ms. Conrad reported that IT projects were going well, and it is anticipated that projects affecting the CPA Evolution initiative were still on track for timely completion.

President Bishop highlighted trending topics that would be discussed in greater detail later in the meeting.

President Bishop introduced Alfonzo Alexander, President, Center for the Public Trust, who provided a summary of the organization's activities for the year. He reported that student chapters continue to grow, including a pilot program at a community college. Over 500 students completed the Ethical Leadership Training program in fiscal year 2022. In addition, fifteen boards of accountancy use the program as part of their disciplinary process.

Ms Conrad provided an overview of presenters at the 115th annual meeting and the 2022 NASBA award winners.

Chief Communications Officer Thomas Kenny reported on 2022-2023 Board

meeting dates and locations, including finalizing plans for the executive directors and legal counsel conferences, and finalizing locations for the June 2023 regional meeting. He also reported that the 2023 annual meeting will be held in New York City in October.

7. Report of the Administration and Finance Committee

Mr. Dickerson acknowledged the members of the Administration and Finance committee as well as the work of Senior Vice President and Chief Financial Officer Michael Bryant and Chief Accounting Officer Troy Walker.

Mr. Dickerson referred the board to the NASBA annual report and its audited financial statements, auditors report and management discussion & analysis. Mr. Bryant reported that the committee met on September 9 to review the year-end financial statements and the progression from the July projected financial results to the July 31 audited financial statements.

The Investment Committee, a subcommittee of the Administration and Finance Committee, met on October 20 to review the preliminary third quarter investment performance. Mr. Bryant provided the board with a review of the third quarter investment results and noted that the portfolio was allocated in accordance with targets and was conservatively invested. He noted that while investment performance was better than the policy benchmarks, the performance did not exceed the "Consumer Price Index plus 2%" policy targets. Overall, there was a \$5.7 million drop in investments year-to-year as of September 30.

Mr. Bryant presented information about the Fiscal 2022 actual results versus the projected results presented at the July meeting. Operations were \$0.4 million better than projection, and investments were \$1.4 million better, yielding a \$1.2 million increase to net assets for the year. Mr. Bryant reported that it is important to consider the five-year average increase in net assets given the volatility created by the pandemic during the last two years. He noted on average, NASBA's net assets increased approximately \$1.3 million annually. He also noted that direct mission spending of \$10.2 million had almost returned to the level of pre-pandemic spending. Mr. Walker provided an update on the results of operations and capital expenditures for the first two months of fiscal year 2023.

8. Report from Audit Committee

Mr. Schmitz recognized the members of the Audit committee and reported that the committee met several times during the year, had accomplished its mission, and had great support from NASBA staff. There were no financial concerns or legal matters that needed to be disclosed. He noted that the board had received the NASBA Form 990 via email. In the absence of any unresolved questions from the board, management would proceed with filing the return.

Mr. Schmitz made a motion for the board to ratify the Executive Committee's acceptance of the July 31, 2022, audited financial statements. The motion was seconded by Mr. Bonner and was unanimously approved.

Mr. Schmitz next made a motion for the board to ratify the Executive Committee's acceptance of the Audit Committee's recommendation to appoint LBMC, P.C. as the independent auditors for the fiscal year ending July 31, 2023. The motion was seconded by Mr. Bonner and was unanimously approved.

Mr. Schmitz followed the committee report by asking the board members to complete and sign conflict of interest forms for the upcoming year.

9. Report of the Executive Directors Committee

Mr. Absec reported that the committee had not met since July but had continued to hold its monthly executive director calls. He also provided an overview of some of the topics discussed during the calls. Mr. Absec also reported on the most recent session of NASBA University and reported that Mr. Patterson and the committee will be working to finalize the agenda for the 2023 Executive Directors conference.

10. Report from Committee on Relations with Member Boards

Ms. Watts reported on the committee's meeting that included a welcome of the regional director nominees, developing questions for the committee's meeting with the Executive Committee, a review of the September regional conference calls, including issues identified for discussion during the upcoming regional breakout breakfast sessions at the annual meeting. Ms. Watts also updated the board on discussions held between the committee and the Executive Committee the previous day.

Ms. Watts thanked the regional directors for their continued outreach to boards of accountancy and holding regional conference calls in the fall.

11. Report from the CPE Committee

Ms. Salazar referred the board members to the meeting materials and provided an overview of the CPE Committee's report. Proposed changes to the CPE standards focus on clarity and include updates to definitions; the standards for program sponsors, including delivery methods; program development; and the fields of study document.

Following her presentation, Ms. Salazar made a motion that the NASBA Board of Directors approve the release of the proposed revisions to the Continuing Professional Education Standards and the Fields of Study document as an exposure draft from the NASBA and AICPA Boards of Directors. The motion was seconded by Mr. Langowski and was unanimously approved.

12. Report from the Standard-Setting and Professional Trends Advisory Committee

Ms. Neilon reported that the committee had a very active year, including an in-person meeting held in Nashville in June.

The committee worked on a standard setting best practice matrix that was last updated in 2019. The committee considered best practices and considered potential disruptive trends. The committee also focused on the proliferation of complex standards and the rapid pace of change in the business environment. These factors could place a strain on small businesses and small accounting firms, thereby possibly impacting quality and lessening public protection. With the update of the matrix completed, the committee will be looking for recommendations from other NASBA committees.

13. Alerts from Other Committee

None

14. Policy Discussions

The Board members exchanged views on the following topics:

Audit Quality – The board discussed whether the experience requirement to sign or authorize someone to sign certain reports need to be revisited. Ms. Saunders reviewed the history of the discussions of a possible work experience provision in the Model Rules and the question of whether additional experience be required for those who supervise or sign certain audit or examination reports. She referred the board to a September call with AICPA staff that focused on audit quality initiatives and reported that the AICPA had asked that the Model Rules not be amended at this point. Instead, NASBA will gather feedback from the boards of accountancy on related disciplinary matters, observe the outcomes of the newly implemented quality management standards, continue to monitor peer review results, including new auditors completing peer review within 18 months and pre-issuance reviews. NASBA will also determine whether a periodic report on outcomes could be prepared by AICPA and shared with NASBA.

Alternative Practice Structures –The board discussed the recent trend of private equity firms purchasing the non-attest practices of CPA firms similar to the alternative practice structure trend that occurred in the early 2000's. At that time, business corporations were buying the non-attest practices of CPA firms and leasing staff back to the accounting firm to provide attest services. NASBA will monitor the actions of the Securities and Exchange Commission and the Public Accounting Oversight Board regarding restrictions and prohibitions. Another consideration is the AICPA Code of Professional Conduct and how it addresses conflicts of interest and whether additional changes to the Code of Professional Conduct are necessary, particularly when the consulting entity is not under the jurisdiction of a board of accountancy or a federal regulator's jurisdiction. Several boards of accountancy issued advisory opinions in the early 2000's. NASBA is also reviewing those opinions.

Internships – Currently a joint task force consisting of AICPA and NASBA staff are looking at possible ways for students to obtain the required 150-hours of education for licensure. The three core elements of such a plan are that it: be cost effective, allow up to 30 academically rigorous hours, and be scalable for firms of all sizes. The timeline is to share a possible plan with both organizations' leadership in the next few months with

communication to boards of accountancy and state CPA societies shortly thereafter.

15. Other/New Business

None

16. Future Meetings

Chair Fritz announced that the next meeting will be held on November 1, 2022, to elect officers and fill a vacancy created by Ms. Saunders' ascension to the vice chair position. The next quarterly board of directors meeting is scheduled for Friday, January 20, 2023.

17. Final comments and acknowledgements

Chair Fritz recognize outgoing board members Carlos Barrera, Tyrone Dickerson, Faye Miller, Alison Houck Andrew, Larry Elmore, Jason Peery, and executive director liaison Kent Absec.

18. Adjournment

Chair Fritz adjourned the meeting at 3:56 p.m. PDT.

National Association of State Boards of Accountancy, Inc.

**Meeting of the Board of Directors
November 1, 2022 - San Diego, CA**

1. Call to Order

A meeting of the Board of Directors of the National Association of State Boards of Accountancy was called to order by Chair Richard Reisig at 12:00 p.m. PDT on Tuesday, November 1, 2022.

Chair Reisig asked President Ken L. Bishop to report on the meeting's attendance.

2. Report of Attendance

President and CEO Bishop reported that a quorum was present:

Officers

Richard N. Reisig, CPA (MT), Chair
Stephanie M. Saunders, CPA (VA), Vice Chair
W. Michael Fritz, CPA (OH), Past Chair

Directors-at-Large

J. Coalter Baker, CPA (TX)
Jack Anderson Bonner, Jr., CPA (TN)
Jimmy E. Burkes, CPA (MS)
Maria E. Caldwell, CPA (FL)
Stephen F. Langowski, CPA (NY)
Nicola Neilon, CPA (NV)
Katrina Salazar, CPA (CA)
Kenya Y. Watts, CPA (OH)

Regional Directors

Nancy J. Corrigan, CPA (CA), Pacific Regional Director
Lynn V. Hutchinson, CPA (LA), Southwest Regional Director
Vikki G. Nunn, CPA (WY), Mountain Regional Director
Michael Schmitz, CPA (ND), Central Regional Director
Richard S. Silverman, CPA (NH), Northeast Regional Director
Willie B. Sims, Jr., CPA (MS), Southeast Regional Director
Arthur M. Winstead, Jr., CPA (NC), Middle Atlantic Regional Director
Gerald Weinstein, CPA (OH), Great Lakes Regional Director

Staff

Ken L. Bishop, President and Chief Executive Officer
Colleen K. Conrad, CPA, Executive Vice President and Chief Operating Officer
Michael R. Bryant, CPA, Senior Vice President and Chief Financial Officer
Daniel J. Dustin, CPA, Vice President, State Board Relations

Melissa Brennan, Executive Assistant to the President and CEO

3. Elections of Board Officers

Chair Reisig reported that Executive Vice President and Chief Operating Officer Colleen Conrad would serve as parliamentarian for the meeting.

As called for in Bylaws Section 4.3.4, Chair Reisig asked for nominations for NASBA Treasurer 2022-2023.

Ms. Salazar nominated Director-at-Large Maria E. Caldwell, seconded Mr. Langowski.

Ms. Neilon nominated Director-at-Large J. Coalter Baker, seconded by Ms. Hutchinson.

On a motion by Mr. Bonner, seconded by Mr. Sims, a motion to close nominations was approved.

Following a vote of the board of directors, Chair Reisig announced that Maria E. Caldwell was elected to serve as Treasurer for 2022-2023.

As called for in Bylaws Section 4.3.4, Chair Reisig asked for nominations for NASBA Secretary 2022-2023.

Mr. Baker nominated Director-at-Large Nicola Neilon. The nomination was seconded by Mr. Burkes. As there were no additional nominations, Chair Reisig called for election of Ms. Neilon by acclamation. All approved.

4. Election of Director-At-Large

Chair Reisig reviewed the policies to be followed to fill the vacancy in the position of Director-At-Large. A nominee would need a majority of board member votes (10) to be elected to fill the vacancy. Chair Reisig's vote would be held in escrow to break a tie. If no nominee received a majority of the votes, the nominee receiving the fewest votes would be eliminated and the board would vote again. This procedure would be followed until a nominee received a majority of the votes. Board members were instructed to cast their votes via ballot to Ms. Conrad and Ms. Brennan, who would tabulate the votes and notify Chair Reisig of the winner.

Chair Reisig opened the floor for nominations to fill the position of Director-At-Large.

Mr. Bonner nominated Larry Elmore, CPA (TN), seconded by Mr. Burkes

Ms. Caldwell nominated Sharon A. Jensen, CPA (MN), seconded by Mr. Langowski

Ms. Salazar nominated Alison Andrew Houck, CPA (DE), seconded by Ms. Watts

Ms. Neilon nominated Jason D. Peery (ID), seconded by Mr. Silverman

On a motion by Mr. Bonner, seconded by Mr. Winstead, a motion to close nominations was approved.

Following a vote of the board of directors, Chair Reisig announced that Jason D. Peery (ID) was elected to fill the Director-At-Large position.

5. Adjournment

There being no additional business, on a motion by Mr. Winstead, seconded by Mr. Bonner, the meeting was adjourned at 12:40 p.m. PDT.

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY, INC.

Highlights of the Board of Directors Meeting

January 20, 2023 – Scottsdale, AZ

At a duly called meeting of the Board of Directors of the National Association of State Boards of Accountancy, held on Friday, January 20, 2023, in Scottsdale, AZ, the Board took the following actions:

- Unanimously approved the minutes of the October 28, 2022, and November 1, 2022, Board of Directors meetings.
- Unanimously approved the November 2022 NASBA financial statements as recommended by the Administration and Finance committee and presented by Treasurer Maria Caldwell (FL) and Senior Vice President and Chief Financial Officer Michael R. Bryant.
- Unanimously approved the appointment of Dr. Jason Brooks, PhD, William Latham, PhD, Delbert Madison, and Kymberly Messersmith to the Center for Public Trust Board of Directors.
- Heard a report from Chair Richard Reisig (MT) on the activities of Executive Committee and its meeting with the Relations with Member Boards committee.
- Heard a report from Vice Chair Stephanie Saunders (VA) on her activities during the past quarter. She reported that the 2023-2024 planning meeting is scheduled for May.
- Heard an organizational update from President and CEO Ken Bishop and Executive Vice President and Chief Operating Officer Colleen K. Conrad.
- President Bishop and Ms. Conrad reported on meetings held with several outside organizations including the Public Company Accounting Oversight Board, Government Accountability Office, Government Accounting Standards Board, Financial Accounting Foundation and a pre-AICPA-NASBA Summit meeting between AICPA and NASBA executive leadership.
- Received a report from Ms. Conrad that IT projects to update the Gateway and CPAES and to address technical debt are generally on schedule and on budget.
- Ms. Conrad reported on the status of the CPA Evolution project, including the release of the Uniform CPA Examination blueprint and other exam-related matters.
- Vice President, State Board Relations Daniel J. Dustin provided an update on recent board-related activities, including recent presentations at boards of accountancy meetings, a state society educator meeting and participation at a Center for Accounting Diversity event. He also provided an update on legislative issues.

- Alfonzo Alexander, President, the Center for Public Trust (CPT), updated the board on recent activities, including the status of StudentCPT chapters, the ethical leadership certification program and a face-to-face professional audit integrity conference held at Baruch College.
- Executive Director committee Chair John Patterson informed the board that the Executive Directors committee was finalizing preparations for the 2023 Executive Directors conference. He reported on topics of interest by executive directors on their monthly calls including the accounting pipeline, principal place of business, firm ownership, and relationships between the boards of accountancy and state CPA societies.
- Mr. Dustin provided an update on the activities of the Committee of Relations with Member Boards. The committee's recent meeting including initial plans for the June 2023, regional meetings, and discussions of the upcoming regional conference calls.
- Uniform Accountancy Act committee Chair Nicola Neilon provided an update on the exposure draft to amend UAA Model Rule 5-7 on conditional credit. She also provided an update on recent meetings with the AICPA co-chair.
- Heard alerts from various committees including the Legislative Support committee, the Diversity committee, the Audit committee, the Bylaws committee, and the Pipeline task force.

The next meeting of the NASBA Board of Directors will be held on April 21, 2023, in Santa Fe, NM.

Distribution: State Board Chairs/Presidents, Members and Executive Directors, NASBA Board of Directors and Committee Chairs, and NASBA Staff Directors

October 2022 FOCUS Question Responses

Executive Overview - All Regions

Has your Board identified any rules that need to be updated, other than education or examination rules, to implement CPA Evolution?

Yes – AR, AZ, CA, GA, GU, KS, NC, NH, NM, PA, TN, USVI, WV

Is your board working with any other organizations in your jurisdiction, such as state CPA societies, to highlight upcoming changes resulting from CPA evolution?

Yes – AL, AR, CA, CT, GA, GU, ID, IL, KY, NE, NV, NY, NC, OH, OK, PA, SD, TN, TX, VA, WI, WV



National Association of State Boards of Accountancy

February 15, 2023

TO: State Boards of Accountancy and other interested parties

FROM: Nicola Neilon, Chair – NASBA Uniform Accountancy Act Committee

As approved by the NASBA Board of Directors, we are releasing for a 60-day comment period, a revised exposure draft incorporating additional proposed amendments to the Uniform Accountancy Act's Model Rules that pertain to the examination. The original amendments were developed by the NASBA CBT Administration Committee and reviewed by the NASBA Uniform Accountancy Act Committee, which recommended them to the NASBA Board for public comment at its October 11, 2022, meeting.

At its January 2023, meeting, NASBA's Board of Directors voted unanimously to support further amendments to Rule 5-7 that would increase the length of conditional credit from 18 months to 24 months and to request a review of the proposed language in Rule 5-7(e) to determine if greater clarity as to a Board's authority to allowing additional time to candidates could be gained by adding descriptive language. In February, NASBA's Uniform Accountancy Act committee met and developed the additional clarifying language. NASBA's Board of Directors approved both additional changes for exposure at its February 14, 2023, meeting.

The changes being proposed cover the granting of credit requirements for sections passed on the Uniform CPA Examination (Exam) for those wishing to enter the CPA profession. The revised exposure draft provides that once a candidate has successfully passed one section of the Exam, all jurisdictions provide candidates with a rolling twenty-four (24) month period to successfully pass the remaining sections of the examination. The date from which credit is calculated varies among the jurisdictions. In addition, recent revisions to the Exam indicate that score delays may occur when updates are made to Exam content and structure. The Committees' recommendation seeks to provide uniformity among the jurisdictions on how the granting of credit is calculated and to address possible future score delays when Exam content or structure changes occur.

As proposed, Rule 5-7 Retake and granting of credit requirements would be deleted and re-written to include:

- Rule 5-7(a) provides that a candidate may take the required Test Sections individually in any order and that credit for any Test Section passed shall be valid for twenty-four (24) months from the date the passing score was released by NASBA to the candidate or the Board.
- Rule 5-7(a)(1) provides a candidate must pass all Test Sections within a rolling twenty-four (24) month period that begins with the date the first passing score(s) are released by NASBA to the candidate or the Board. The rolling window would conclude with the sit date of the final Test Section passed, regardless of when the score is released by NASBA for the final Test

Section. If all Test Sections are not passed within twenty-four (24) months, credit for any Test Section passed outside the twenty-four (24) month period shall expire.

- Rule 5-7(b) is being proposed to prohibit a candidate from taking a failed Test Section until the candidate has been notified of the score for the most recent attempt of that failed Test Section.
- Rule 5-7(c) provides that a candidate is deemed to have passed all required Test Sections in the rolling twenty-four (24) month period.
- Rules 5-7(d) provides a candidate shall retain credit for any and all Test Sections of the examination passed as a candidate of another state if such credit would have been given under then applicable requirements in this State.
- Rule 5-7(e) provides that the period of time to pass all Test Sections of the examination may be extended by the Board upon a showing that the credit was lost by reason of individual hardship including, but not limited to, health; military service; a disruption at the local, regional, or national level impacting the candidate; or other circumstances beyond the candidate's control.

We believe these changes will provide guidance for State Boards and candidates in the years ahead. We encourage the State Boards and other interested parties to consider these proposed changes and send any comments or recommendations to the UAA Committee via uaacomment@nasba.org by April 17, 2023.

Sincerely,

Nicola Neilon

Nicola Neilon, CPA
Chair, NASBA Uniform Accountancy Act Committee

Uniform Accountancy Act Model Rules – Conditional Credit

Rule 5-7 – Retake and granting of credit requirements.

~~(a) — A Candidate may take the required Test Sections individually and in any order. Credit for any Test Section(s) passed shall be valid for a period of eighteen (18) months and be calculated from the actual date the Candidate took that Test Section, without having to attain a minimum score on any failed Test Section(s) and without regard to whether the Candidate has taken other Test Sections.~~

~~(1) — Candidates must pass all Test Sections of the examination within a rolling eighteen (18) month period, which begins on the date that the first Test Section(s) passed is taken.~~

~~(2) — (A) — Subject to subsection 7(a)(2)(B), Candidates cannot retake a failed Test Section(s) in the same testing window. A testing window is equal to a calendar quarter (January-March, April-June, July-September, October-December). Candidates will be able to test no less than two (2) months out of each testing window.~~

~~(B) — If the Board determines that the examination system changes necessary to eliminate the test window limitations have been implemented, subsection (A) will no longer be effective, and a Candidate can retake a Test Section once their grade for a n y previous attempt of that same Test Section has been released.~~

~~(3) — In the event all Test Sections of the examination are not passed within the rolling eighteen (18) month period, credit for any Test Section(s) passed outside the eighteen (18) month period will expire and that Test Section(s) must be retaken.~~

~~(b) — A Candidate shall retain credit for any and all Test Sections of the examination passed as a candidate of another state if such credit would have been given under then applicable requirements in this State.~~

~~(e) — A Candidate shall be deemed to have passed the examination once the Candidate holds at the same time valid credit for passing each of the Test Sections of the examination. For purposes of this section, credit for passing a Test Section of the examination is valid from the actual date of the Testing Event for that Test Section, regardless of the date the Candidate actually receives notice of the passing grade.~~

~~(d) — Notwithstanding subsection (a) of this Rule, the Board may in particular cases extend the term of credit validity upon a showing that the credit was lost by reason of circumstances beyond the Candidate's control.~~

(a) A Candidate may take the required Test Sections individually and in any order. Credit for passing any Test Section shall be valid for that Test Section for twenty-four (24) months from the date the passing score for such Test Section is released by NASBA to the Candidate or the Board, as the case may be, regardless of the number of Test Sections taken or having to attain a minimum score on any failed section(s).

(1) A Candidate shall pass all required Test Sections within a rolling twenty-four (24) month period. The rolling twenty-four (24) month period begins on the date the first passing score(s) are released by NASBA to the Candidate or the Board, as the case may be. The rolling twenty-four (24) month period concludes on the date the Candidate sits for the final Test Section passed, regardless of when the score is released by NASBA for the final Test Section.

(2) A Candidate who earns initial credit on one or more Test Section(s) of the CPA examination must sit for and complete the remaining required Test Section(s) of the examination by midnight local time at the Board's main office on the last day of the twenty-four (24) month period.

- (3) If all required Test Sections are not passed within this initial twenty-four (24) month period, credit for the first Test Section(s) passed shall expire and a new rolling twenty-four (24) month period shall begin on the date the second passing score(s) were released by NASBA to the Candidate or the Board, as the case may be, and continue for twenty-four (24) months from that date. If all required Test Section(s) are not passed within this next rolling twenty-four (24) month period, credit for the second Test Section(s) passed shall expire and a new rolling twenty-four (24) month period will begin on the date the next Test Section passing score, if any, was released by NASBA to the Candidate or the Board, as the case may be, and this cycle of twenty-four (24) month rolling periods and Test Section credit expirations will continue until all Test Sections are passed within one twenty-four (24) month rolling period. Notwithstanding the foregoing, if a Candidate stops testing for a twenty-four (24) month period, then all credit for previously passed Test Sections will expire.
- (b) A Candidate shall not retake a failed Test Section until the Candidate has been notified of the score for the most recent attempt of that failed Test Section.
- (c) A Candidate shall be deemed to have passed the examination if the Candidate obtains credit for passing all required Test Sections in one rolling twenty-four (24) month period.
- (d) A Candidate shall retain credit for any and all required Test Sections of the examination passed as a Candidate of another state if such credit would have been given under then applicable requirements in this State.
- (e) Notwithstanding subsections (a), (b), and (c) of this Rule, the period of time in which to pass all required Test Sections of the examination may be extended by the Board upon a showing that the credit was lost by reason of individual hardship including, but not limited to, health; military service; a disruption at a local, regional, or national level impacting the Candidate; or other circumstances beyond the Candidate's control.