



**SOUTH DAKOTA  
BOARD OF ACCOUNTANCY**  
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Sioux Falls, SD 57104  
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[www.accountancy.sd.gov](http://www.accountancy.sd.gov)

Agenda  
South Dakota Board of Accountancy Meeting  
Conference Call  
9:00 a.m. (CT)  
March 24, 2014

A=Action

D=Discussion

I=Information

Page

A-Approval of Minutes of Meeting January 6, 2014.....	3-4
A-Approval of Certificates & Firm Permits.....	5-6
A-Financial Statements through February 2014.....	7-35
A-Report to Board on Grades.....	36-37
D-Executive Director's Report.....	38-42
<b>AIPCA</b>	
D-Board of Examiners Meeting Highlights January 23-24, 2014.....	43-45
<b>NASBA</b>	
I-Letter to FAF from NASBA in regards to contribution to IFRSF.....	46-48
D-Nomination for Vice Chair for 2014-2015	
Janice Gray Bio and letters from Oklahoma, Montana, Oregon.....	49-54
Theodore Long, Jr. Bio and letter from Ohio.....	55-56
D-Nomination for Director-at-Large	
Carlos Barrera Bio and letters from Texas, Oklahoma, New Mexico, Arkansas.....	57-62
Jimmy Burkes letter from Mississippi.....	63
Marianne Mickelson Bio and letter from Iowa.....	64-65
Richard Reisig Bio and letter from Montana.....	66-70
Laurie Tish Bio and letter from Oregon.....	71-73
D-Nomination for Regional Director	
Central Region – Rodney Van Norden Bio and letter from Kansas.....	74-75
Great Lakes Region – Michael Fritz letter from Ohio.....	76
Southwest Region – Coalter Baker letter from Oklahoma.....	77
D-Candidate Concerns 4Q13.....	78-85
D-Board of Directors	
Meeting Minutes October 25 & 29, 2013.....	86-95
Board of Directors Meeting Highlights January 17, 2014.....	96-97
Executive Summary and Focus Question Responses December 2013.....	98-116

A-Focus Questions April 2014.....	117-118
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**EXECUTIVE SESSION**

Equivalent Reviews, Consent Agreements and follow ups for Board Approval.....	Spt. Pkt.
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**FUTURE MEETING DATES** (all times CT)

May 5 – 8:30 – Department of Legislative Audit Conference Room, Pierre, SD



**SOUTH DAKOTA  
BOARD OF ACCOUNTANCY**

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South Dakota Board of Accountancy  
Minutes of Meeting-Conference Call  
January 6, 2014 - 9:00 a.m.

The Board of Accountancy held a meeting by conference call on Monday, January 6, 2014. Chair John Mitchell called the meeting to order at 9:03 a.m.

Roll call was taken to confirm that the following members were present: Holly Brunick, David Pummel, John Linn, Jr., Marty Guindon, John Peterson and John Mitchell. A quorum was present.

Also present were Nicole Kasin, Executive Director; Brenda Page, Secretary; Aaron Arnold, Legal Counsel; and Todd Kolden, Department of Labor & Regulation.

Chair John Mitchell asked if there were any additions to the agenda. The following were added: Report to Board on Grades and Additions to Peer Review.

A motion was made by John Linn, Jr. and seconded by David Pummel to approve the December 9, 2013, meeting minutes. A roll call vote was taken. The motion unanimously carried.

A motion was made by Holly Brunick and seconded by Marty Guindon to approve the issuance of individual certificates through December 27, 2013. A roll call vote was taken. The motion unanimously carried.

A motion was made by Marty Guindon and seconded by David Pummel to approve the financial statements through November 2013. A roll call vote was taken. The motion unanimously carried.

The Board discussed report on the CPA exam grades for the 39<sup>th</sup> Window.

A motion was made by John Linn, Jr. and seconded by Marty Guindon to approve the CPA exam scores for the 39<sup>th</sup> Window through December 2013. A roll call was taken. The motion unanimously carried.

The Board discussed the NASBA Executive Directors Conference which will be held in Savannah, GA, March 3-6, 2014, and the NASBA Legal Counsel Conference which will be held in Savannah, GA, March 3-5, 2014.

A motion was made by John Peterson and seconded by David Pummel to approve travel for the Executive Director to attend the NASBA Executive Directors Conference held in Savannah, GA, March 3-6, 2014 and Legal Counsel to attend the NASBA Legal Counsel Conference held in Savannah, GA, March 3-5, 2014. A roll call vote was taken. The motion unanimously carried. The Executive Director will submit the necessary travel documents for approval.

Executive Director Kasin discussed her report on CPE Audits and the exposure draft from ARSC.

The Board was given the responses to Exposure Draft on Firm Mobility for the UAA from Guam and Oregon.

The Board discussed the nomination for Vice Chair of NASBA for 2014-2015 of K. Odom by the Alabama Board of Accountancy.

A motion was made by Holly Brunick and seconded by John Peterson to enter into executive session for the deliberative process for peer reviews. A roll call vote was taken. The motion unanimously carried.

The Board came out of executive session.

A motion was made by John Peterson and seconded John Linn, Jr. to accept the peer reviews as discussed in executive session. A roll call vote was taken. The motion unanimously carried.

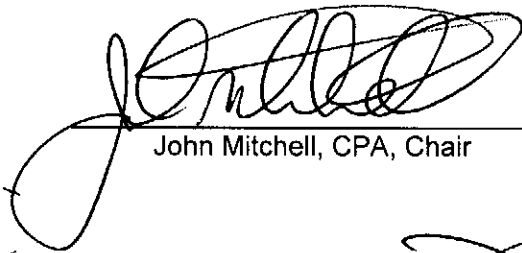
**FUTURE MEETING DATES** (all times CT)

March 24<sup>th</sup> – 9:00 – Conference call


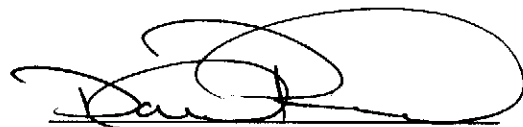
May 5<sup>th</sup> – 8:30 - Dept. of Legislative Audit Conference Room – Pierre, SD

A motion was made by David Pummel and seconded by Marty Guindon to adjourn the meeting. A roll call vote was taken. The motion unanimously carried.

All business having come before the board was concluded and Chair John Mitchell adjourned the meeting at 9:17 a.m.

  
\_\_\_\_\_  
John Mitchell, CPA, Chair

Attest:

  
\_\_\_\_\_  
Nicole Kasin, Executive Director  
\_\_\_\_\_  
David Pummel, Sec/Treasurer

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES  
BOARD COPY**

**Issued Through March 18, 2014**

<b>Number</b>	<b>Name</b>	<b>Date Issued</b>	<b>Location</b>
3116	Cody Thomas Malik	01/06/14	Sioux Falls, SD
3117	Amanda Jo Schoon	01/06/14	Rapid City, SD
3118	Anna Jean DeSmet	01/14/14	Rapid City, SD
3119	Kendra Eve Miller	01/17/14	Harrold, SD
3120	Jonathan Gregg Anderson	01/22/14	Webster, SD
3121	Lucas M. Johnson	01/22/14	Sioux Falls, SD
1302	Marilyn Sue Hurley replacement	08/05/85	Canton, SD
3122	Jennifer Marie Steinmetz	01/24/14	Rapid City, SD
3123	David Lawrence Pollard	01/27/14	Elk Point, SD
3124	Brandi Dee Marso	01/29/14	Sioux Falls, SD
3125	Kristina Jane Roth	01/31/14	Sioux Falls, SD
3126	Chelsey Barbara Hansen	02/04/14	Sioux Falls, SD
3127	Amanda Marie Hyronimus	02/12/14	Beresford, SD
3128	Curtis Michael Konvalin	02/18/14	Rapid City, SD
3129	Gregory Fitzgerald Miner	02/18/14	Rapid City, SD
3130	Geoffrey Lenning	02/24/14	Irvine, CA
3131	Darin Jon Wipf	02/26/14	Brookings, SD
3132	Christ Nicholas Economo	03/06/14	Sioux Falls, SD
3133	Meghan Elizabeth Garry	03/14/14	Humboldt, SD
3134	Abner James Nissen	03/18/14	Sioux Falls, SD
3135	Travis Ryan Svennes	03/18/14	Sioux Falls, SD

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

**Issued Through  
March 18, 2014**

<b>Number</b>	<b>Name</b>	<b>Date Issued</b>	<b>Basis/Comments</b>
1614	Cynthia L. Cochran, CPA Black Hawk, SD	01/14/14	Name Change
1615	Morey Monk & Associates, LLC Winner, SD	01/15/14	Name Change
1616	Jonathan G. Anderson, CPA Webster, SD	01/21/14	New Firm
1617	Seim Johnson, LLP Elkhorn, NE	01/27/14	Name Change
1618	Marcum LLP Melville, NY	03/11/14	New Firm

BA1409R1

STATE OF SOUTH DAKOTA  
CASH CENTER BALANCES  
AS OF: 12/31/2013

PAGE

129

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	374,635.90	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			374,635.90	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			374,635.90	DR **	
BUDGET UNIT TOTAL 1031			374,635.90	DR ***	

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 12/31/2013

AGENCY 10 LABOR & REGULATION  
BUDGET UNIT 1031 BOARD OF ACCOUNTANCY  
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										
COMPANY NAME PROFESSIONAL & LICENSING BOARDS										
6503	103100061802	51010100	CGEX131211	12/18/2013					1,805.60	DR
OBSUB: 5101010 F-T EMP SAL & WAGES										
6503	103100061802	51010200	CGEX131211	12/18/2013					1,805.60	DR *
6503	103100061802	51010200	CGEX131220	12/26/2013					1,140.31	DR
OBSUB: 5101020 P-T/TEMP EMP SAL & WAGES										
OBJECT: 5101 EMPLOYEE SALARIES										
6503	103100061802	51020100	CGEX131211	12/18/2013					3,170.91	DR **
6503	103100061802	51020100	CGEX131220	12/26/2013					213.59	DR
OBSUB: 5102010 OASI-EMPLOYER'S SHARE										
6503	103100061802	51020200	CGEX131211	12/18/2013					230.80	DR *
6503	103100061802	51020200	CGEX131220	12/26/2013					176.76	DR
OBSUB: 5102020 RETIREMENT-ER SHARE										
6503	103100061802	51020600	CGEX131211	12/18/2013					13.50	DR
OBSUB: 5102060 HEALTH/LIFE INS.-ER SHARE										
6503	103100061802	51020800	CGEX131211	12/18/2013					190.26	DR *
6503	103100061802	51020800	CGEX131220	12/26/2013					908.64	DR
OBSUB: 5102080 WORKER'S COMPENSATION										
6503	103100061802	51020900	CGEX131211	12/18/2013					908.64	DR *
6503	103100061802	51020900	CGEX131220	12/26/2013					3.83	DR
OBSUB: 5102090 UNEMPLOYMENT COMPENSATION										
OBJECT: 5102 EMPLOYEE BENEFITS										
GROUP: 51 PERSONAL SERVICES										
6503	103100061802	52032600	CGEX131212	12/13/2013					1,334.84	DR **
OBSUB: 5203260 AIR-COMM-OUT-OF-STATE										
6503	103100061802	52033000	CGEX131212	12/13/2013					4,505.75	DR ***
OBSUB: 5203300 LODGING/OUT-OF-STATE										
6503	103100061802	52033200	CGEX131212	12/13/2013					1,052.34	DR
OBSUB: 5203320 INCIDENTALS-OUT-OF-STATE										
6503	103100061802	52033500	CGEX131212	12/13/2013					1,146.76	DR *
OBSUB: 5203350 NON-TAXABLE MEALS/OUT-ST										
OBJECT: 5203 TRAVEL										
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OBSUB: 5204010 SUBSCRIPTIONS										
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OBSUB: 52041800 SUBSCRIPTIONS										
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BA0205A5 01/04/2014

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 12/31/2013

PAGE 104

AGENCY BUDGET UNIT CENTER-5	10 1031 10310	LABOR & REGULATION BOARD OF ACCOUNTANCY BOARD OF ACCOUNTANCY	DOCUMENT NUMBER	POSTING DATE	JV APPL #, OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/ CR
COMP	CENTER	ACCOUNT								
6503	103100061802	52041800	DP411097	01/03/2014					894.00	DR
OBJSUB:	5204180	COMPUTER SERVICES-STATE							1,026.00	DR *
6503	103100061802	52042000	FM409071	12/11/2013					1,741.98	DR
6503	103100061802	52042000	PL411059	12/11/2013					225.60	DR
OBJSUB:	5204200	CENTRAL SERVICES							1,967.58	DR *
6503	103100061802	52042200	INV1687947	12/04/2013	02057548	MARCOINC	12201534		4.42	DR
OBJSUB:	5204220	EQUIPMENT SERV & MAINT							4.42	DR *
6503	103100061802	52042300	14SC100002 DEC13	12/27/2013	00043428	SUNSETOFFI	12043890		122.86	DR
OBJSUB:	5204230	JANITORIAL & MAINT SERV							122.86	DR *
6503	103100061802	52044600	H4342028	12/11/2013	02058270	MAILFINANC	12219369		597.00	DR
6503	103100061802	52044600	INV1687947	12/04/2013	02057548	MARCOINC	12201534		57.00	DR
OBJSUB:	5204460	EQUIPMENT RENTAL							654.00	DR *
6503	103100061802	52044900	ACCOUNTRENT2013	12/26/2013	02059478	MCGINNISRO	12074040		1,269.45	DR
OBJSUB:	5204490	RENTS-PRIVATE OWNED PROP.							1,269.45	DR *
6503	103100061802	52045300	TL411154	12/18/2013	00037377	ATMMOBILIT	12279233		96.72	DR
6503	103100061802	52045300	2872359210871113	12/06/2013					66.52	DR
OBJSUB:	5204530	TELECOMMUNICATIONS SRVCS							163.24	DR *
6503	103100061802	52045400	5159417006 1113	12/11/2013	02057974	XCELENERGY	12023853		51.38	DR
OBJSUB:	5204540	ELECTRICITY							51.38	DR *
6503	103100061802	52047400	CI104A-039	12/11/2013	193129				87.82	DR
6503	103100061802	52047400	CI104A-039	12/11/2013	193129				87.82	DR
6503	103100061802	52047400	CI104A-039	12/11/2013	193129				87.82	CR
OBJSUB:	5204740	BANK FEES AND CHARGES							87.82	DR *
6503	103100061802	52049600	1013-IN&1015-IN	01/01/2014	00043685	NATLASNST	12005047		441.00	DR
6503	103100061802	52049600	13532448	01/01/2014	00043685	NATLASNST	12005047		7,904.22	DR
OBJSUB:	5204960	OTHER CONTRACTUAL SERVICE							8,345.22	DR *
6503	103100061802	52050200	084692	01/03/2014	02060515	OFFICEMAXI	12162845		13,927.90	DR **
6503	103100061802	52050200	085123	01/03/2014	02060515	OFFICEMAXI	12162845		43.62	DR
6503	103100061802	52050200	1789347-0	01/01/2014	02060193	BROWNSAENG	12028533		6.37	DR
OBJSUB:	5205020	OFFICE SUPPLIES							15.00	DR
6503	103100061802	5228000	T104-046	12/04/2013					64.99	DR *
OBJSUB:	5228000	OPER TRANS OUT -NON BUDGT							64.99	DR **
6503	103100061802	5228000							494.67	DR
OBJSUB:	5228000	NONOP EXP/NONBGTD OP TR							494.67	DR **
6503	103100061802	5228000							16,915.66	DR ***
OBJSUB:	5228000	OPERATING EXPENSES							21,421.41	DR ****

BA0205A5 01/04/2014

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 12/31/2013

PAGE 105

AGENCY 10 LABOR & REGULATION  
BUDGET UNIT 1031 BOARD OF ACCOUNTANCY  
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
CNTR: 103100061802										
B. UNIT: 1031										
									21,421.41	DR *****
									21,421.41	DR *****

**South Dakota Board of Accountancy**  
**Balance Sheet**  
As of December 31, 2013

	Dec 31, 13
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
1130000 · Local Checking - US Bank	384.53
1140000 · Pool Cash State of SD	374,635.90
Total Checking/Savings	375,020.43
Other Current Assets	
1131000 · Interest Income Receivable	5,207.41
1213000 · Investment Income Receivable	970.07
Total Other Current Assets	6,177.48
Total Current Assets	381,197.91
Fixed Assets	
1670000 · Computer Software	
Original Cost	140,063.23
1770000 · Depreciation	-122,963.45
Total 1670000 · Computer Software	17,099.78
Total Fixed Assets	17,099.78
<b>TOTAL ASSETS</b>	<b>398,297.69</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	8,767.52
Total Accounts Payable	8,767.52
Other Current Liabilities	
2430000 · Accrued Wages Payable	6,461.56
2810000 · Amounts Held for Others	24,612.70
Total Other Current Liabilities	31,074.26
Total Current Liabilities	39,841.78
Long Term Liabilities	
2960000 · Compensated Absences Payable	14,119.90
Total Long Term Liabilities	14,119.90
Total Liabilities	53,961.68
Equity	
3220000 · Unrestricted Net Assets	227,910.94
3300100 · Invested In Capital Assets	17,099.78
3900 · Retained Earnings	58.38
Net Income	99,266.91
Total Equity	344,336.01
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>398,297.69</b>

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
 July through December 2013

	Jul - Dec 13	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	1,600.00	2,200.00	-600.00	72.7%
4293551 · Certificate Renewals-Active	56,450.00	53,000.00	3,450.00	106.5%
4293552 · Certificate Renewals-Inactive	19,750.00	19,000.00	750.00	103.9%
4293553 · Certificate Renewals-Retired				
5208005 · REFUNDS	-40.00			
4293553 · Certificate Renewals-Retired - Other	860.00	700.00	160.00	122.9%
<b>Total 4293553 · Certificate Renewals-Retired</b>	<b>820.00</b>	<b>700.00</b>	<b>120.00</b>	<b>117.1%</b>
4293554 · Initial Firm Permits	200.00	1,250.00	-1,050.00	16.0%
4293555 · Firm Permit Renewals				
5208004 · REFUNDS	-300.00			
4293555 · Firm Permit Renewals - Other	14,050.00	18,000.00	-3,950.00	78.1%
<b>Total 4293555 · Firm Permit Renewals</b>	<b>13,750.00</b>	<b>18,000.00</b>	<b>-4,250.00</b>	<b>76.4%</b>
4293557 · Initial Audit	240.00	900.00	-660.00	26.7%
4293558 · Re-Exam Audit	1,320.00	2,460.00	-1,140.00	53.7%
4293560 · Late Fees-Initial Certificate	150.00	0.00	150.00	100.0%
4293561 · Late Fees-Certificate Renewals				
5208006 · REFUNDS	-100.00			
4293561 · Late Fees-Certificate Renewals - Other	2,150.00	4,000.00	-1,850.00	53.8%
<b>Total 4293561 · Late Fees-Certificate Renewals</b>	<b>2,050.00</b>	<b>4,000.00</b>	<b>-1,950.00</b>	<b>51.3%</b>
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	700.00	800.00	-100.00	87.5%
4293564 · Late Fees-Peer Review	750.00	1,300.00	-550.00	57.7%
4293566 · Firm Permit Owners				
5208003 · REFUNDS	-520.00			
4293566 · Firm Permit Owners - Other	87,820.00	70,000.00	17,820.00	125.5%
<b>Total 4293566 · Firm Permit Owners</b>	<b>87,300.00</b>	<b>70,000.00</b>	<b>17,300.00</b>	<b>124.7%</b>
4293567 · Peer Review Admin Fee	900.00	5,650.00	-4,750.00	15.9%
4293568 · Firm Permit Name Change	100.00	100.00	0.00	100.0%
4293569 · Initial FAR	450.00	1,140.00	-690.00	39.5%
4293570 · Initial REG	90.00	660.00	-570.00	13.6%
4293571 · Initial BEC	180.00	930.00	-750.00	19.4%
4293572 · Re-Exam FAR	1,050.00	1,860.00	-810.00	56.5%
4293573 · Re-Exam REG	990.00	2,310.00	-1,320.00	42.9%
4293574 · Re-Exam BEC	1,050.00	2,310.00	-1,260.00	45.5%
4491000 · Interest and Dividend Revenue	5,207.41	9,000.00	-3,792.59	57.9%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
<b>Total Income</b>	<b>195,097.41</b>	<b>198,570.00</b>	<b>-3,472.59</b>	<b>98.3%</b>
<b>Gross Profit</b>	<b>195,097.41</b>	<b>198,570.00</b>	<b>-3,472.59</b>	<b>98.3%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	23,967.24	72,759.00	-48,791.76	32.9%
5101020 · P-T/Temp Emp Sal & Wages	10,771.94	18,779.00	-8,007.06	57.4%
5101030 · Board & Comm Mbrs Fees	1,860.00	4,372.00	-2,512.00	42.5%
5102010 · OASI-Employer's Share	2,714.29	7,362.00	-4,647.71	36.9%
5102020 · Retirement-ER Share	2,084.35	5,492.00	-3,407.65	38.0%
5102060 · Health /Life Ins.-ER Share	8,177.76	22,007.00	-13,829.24	37.2%
5102080 · Worker's Compensation	45.15	254.00	-208.85	17.8%
5102090 · Unemployment Insurance	11.15	91.00	-79.85	12.3%
5203010 · Auto--State Owned	296.96	600.00	-303.04	49.5%
5203020 · Auto-Private-Ownes Low Mileage	180.80	400.00	-219.20	45.2%
5203030 · In State-Auto- Priv. High Miles	694.86	1,500.00	-805.14	46.3%
5203100 · In State-Lodging	350.00	1,000.00	-650.00	35.0%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203140 · InState-Tax Meals Not Overnigt	0.00	100.00	-100.00	0.0%
5203150 · InState-Non-Tax Meals OverNigt	215.00	400.00	-185.00	53.8%
5203220 · OS-Auto Private Low Mileage	0.00	0.00	0.00	0.0%
5203230 · OS-Auto Private High Mileage	0.00	100.00	-100.00	0.0%
5203260 · OS-Air Commercial Carrier	2,264.94	5,700.00	-3,435.06	39.7%

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
**July through December 2013**

	<u>Jul - Dec 13</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
5203280 · OS-Other Public Carrier	0.00	500.00	-500.00	0.0%
5203300 · OS-Lodging	2,293.52	7,800.00	-5,506.48	29.4%
5203320 · OS-Incidentals to Travel	100.00	350.00	-250.00	28.6%
5203350 · OS-Non-Taxable Meals Overnight	315.00	1,200.00	-885.00	26.3%
5204010 · Subscriptions	235.93	1,000.00	-764.07	23.6%
5204020 · Dues and Membership Fees	3,200.00	3,900.00	-700.00	82.1%
5204030 · Legal Document Fees	0.00	500.00	-500.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	6,700.00	-6,700.00	0.0%
5204130 · Consultant Fees-Other	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	1,090.00	6,000.00	-4,910.00	18.2%
5204180 · Computer Services-State	441.00	600.00	-159.00	73.5%
5204181 · Computer Development Serv-State	5,784.30	10,400.00	-4,615.70	55.6%
5204200 · Central Services	3,863.86	7,000.00	-3,136.14	55.2%
5204220 · Equipment Service & Maintenance	37.00	300.00	-263.00	12.3%
5204230 · Janitorial/Maintenance Services	737.16	1,560.00	-822.84	47.3%
5204340 · Computer Software Maintenance	0.00	1,000.00	-1,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	1,000.00	-1,000.00	0.0%
5204440 · Newsletter Publishing	0.00	1,100.00	-1,100.00	0.0%
5204460 · Equipment Rental	1,536.00	4,500.00	-2,964.00	34.1%
5204480 · Microfilm and Photography	0.00	700.00	-700.00	0.0%
5204490 · Rents Privately Owned Property	7,616.70	15,531.00	-7,914.30	49.0%
5204510 · Rent-Other	200.00	200.00	0.00	100.0%
5204530 · Telecommunications Services	1,650.08	2,500.00	-849.92	66.0%
5204540 · Electricity	324.76	865.00	-540.24	37.5%
5204560 · Water	22.35	240.00	-217.65	9.3%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204740 · Bank Fees and Charges	3,549.76	5,000.00	-1,450.24	71.0%
5204960 · Other Contractual Services	724.50	0.00	724.50	100.0%
5205020 · Office Supplies	172.71	2,000.00	-1,827.29	8.6%
5205028 · OFFICE SUPPLIES-2	0.00	0.00	0.00	0.0%
5205310 · Printing State	0.00	500.00	-500.00	0.0%
5205320 · Printing/Duplicating/Binding Co	85.95	1,000.00	-914.05	8.6%
5205330 · Supplemental Publications	387.50	700.00	-312.50	55.4%
5205340 · Microfilm Supplies/Materials	0.00	300.00	-300.00	0.0%
5205350 · Postage	0.00	2,000.00	-2,000.00	0.0%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207900 · Computer Hardware	-238.63	4,800.00	-5,038.63	-5.0%
5207950 · System Development	0.00	500.00	-500.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	500.00	-500.00	0.0%
5228000 · Operating Transfers Out-NonBudg	2,031.45	7,400.00	-5,368.55	27.5%
5228030 · Depreciation Expense	6,035.16	12,070.40	-6,035.24	50.0%
<b>Total Expense</b>	<b>95,830.50</b>	<b>255,542.40</b>	<b>-159,711.90</b>	<b>37.5%</b>
<b>Net Ordinary Income</b>	<b>99,266.91</b>	<b>-56,972.40</b>	<b>156,239.31</b>	<b>-174.2%</b>
<b>Net Income</b>	<b>99,266.91</b>	<b>-56,972.40</b>	<b>156,239.31</b>	<b>-174.2%</b>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
**December 2013**

	<u>Dec 13</u>	<u>Dec 12</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	300.00	350.00	-50.00	-14.3%
4293551 · Certificate Renewals-Active	0.00	50.00	-50.00	-100.0%
4293552 · Certificate Renewals-Inactive	50.00	0.00	50.00	100.0%
4293554 · Initial Firm Permits	0.00	100.00	-100.00	-100.0%
4293557 · Initial Audit	60.00	30.00	30.00	100.0%
4293558 · Re-Exam Audit	360.00	270.00	90.00	33.3%
4293560 · Late Fees-Initial Certificate	0.00	50.00	-50.00	-100.0%
4293561 · Late Fees-Certificate Renewals	50.00	50.00	0.00	0.0%
4293564 · Late Fees-Peer Review	100.00	100.00	0.00	0.0%
4293566 · Firm Permit Owners	0.00	910.00	-910.00	-100.0%
4293567 · Peer Review Admin Fee	225.00	75.00	150.00	200.0%
4293569 · Initial FAR	90.00	90.00	0.00	0.0%
4293570 · Initial REG	30.00	60.00	-30.00	-50.0%
4293571 · Initial BEC	0.00	60.00	-60.00	-100.0%
4293572 · Re-Exam FAR	210.00	240.00	-30.00	-12.5%
4293573 · Re-Exam REG	30.00	180.00	-150.00	-83.3%
4293574 · Re-Exam BEC	150.00	120.00	30.00	25.0%
<b>Total Income</b>	<u>1,655.00</u>	<u>2,735.00</u>	<u>-1,080.00</u>	<u>-39.5%</u>
<b>Gross Profit</b>	1,655.00	2,735.00	-1,080.00	-39.5%
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	1,805.60	2,620.01	-814.41	-31.1%
5101020 · P-T/Temp Emp Sal & Wages	1,365.31	808.16	557.15	68.9%
5102010 · OASI-Employer's Share	230.80	249.54	-18.74	-7.5%
5102020 · Retirement-ER Share	190.26	205.69	-15.43	-7.5%
5102060 · Health /Life Ins.-ER Share	908.64	791.88	116.76	14.7%
5102080 · Worker's Compensation	4.12	5.48	-1.36	-24.8%
5102090 · Unemployment Insurance	1.02	2.58	-1.56	-60.5%
5204180 · Computer Services-State	72.00	69.00	3.00	4.4%
5204181 · Computer Development Serv-State	822.00	19.35	802.65	4,148.1%
5204200 · Central Services	1,967.58	206.41	1,761.17	853.2%
5204220 · Equipment Service & Maintenance	3.27	5.72	-2.45	-42.8%
5204230 · Janitorial/Maintenance Services	122.86	122.86	0.00	0.0%
5204340 · Computer Software Maintenance	0.00	160.00	-160.00	-100.0%
5204440 · Newsletter Publishing	0.00	496.10	-496.10	-100.0%
5204460 · Equipment Rental	57.00	57.00	0.00	0.0%
5204490 · Rents Privately Owned Property	1,269.45	1,269.45	0.00	0.0%
5204530 · Telecommunications Services	281.73	199.72	82.01	41.1%
5204540 · Electricity	68.03	57.70	10.33	17.9%
5204560 · Water	0.00	22.35	-22.35	-100.0%
5204740 · Bank Fees and Charges	87.82	102.76	-14.94	-14.5%
5205020 · Office Supplies	49.99	64.24	-14.25	-22.2%
5205320 · Printing/Duplicating/Binding Co	13.80	20.70	-6.90	-33.3%
5207900 · Computer Hardware	0.00	1,100.17	-1,100.17	-100.0%
5228000 · Operating Transfers Out-NonBudg	494.67	704.74	-210.07	-29.8%
5228030 · Depreciation Expense	1,005.86	1,005.86	0.00	0.0%
<b>Total Expense</b>	<u>10,821.81</u>	<u>10,367.47</u>	<u>454.34</u>	<u>4.4%</u>
<b>Net Ordinary Income</b>	<u>-9,166.81</u>	<u>-7,632.47</u>	<u>-1,534.34</u>	<u>-20.1%</u>
<b>Net Income</b>	<u><u>-9,166.81</u></u>	<u><u>-7,632.47</u></u>	<u><u>-1,534.34</u></u>	<u><u>-20.1%</u></u>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
 July through December 2013

	Jul - Dec 13	Jul - Dec 12	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	1,600.00	1,500.00	100.00	6.7%
4293551 · Certificate Renewals-Active	56,450.00	54,950.00	1,500.00	2.7%
4293552 · Certificate Renewals-Inactive	19,750.00	19,950.00	-200.00	-1.0%
4293553 · Certificate Renewals-Retired	820.00	710.00	110.00	15.5%
4293554 · Initial Firm Permits	200.00	650.00	-450.00	-69.2%
4293555 · Firm Permit Renewals	13,750.00	19,850.00	-6,100.00	-30.7%
4293557 · Initial Audit	240.00	210.00	30.00	14.3%
4293558 · Re-Exam Audit	1,320.00	1,290.00	30.00	2.3%
4293560 · Late Fees-Initial Certificate	150.00	100.00	50.00	50.0%
4293561 · Late Fees-Certificate Renewals	2,050.00	2,050.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	700.00	500.00	200.00	40.0%
4293564 · Late Fees-Peer Review	750.00	250.00	500.00	200.0%
4293566 · Firm Permit Owners	87,300.00	71,825.00	15,475.00	21.6%
4293567 · Peer Review Admin Fee	900.00	150.00	750.00	500.0%
4293568 · Firm Permit Name Change	100.00	0.00	100.00	100.0%
4293569 · Initial FAR	450.00	570.00	-120.00	-21.1%
4293570 · Initial REG	90.00	210.00	-120.00	-57.1%
4293571 · Initial BEC	180.00	210.00	-30.00	-14.3%
4293572 · Re-Exam FAR	1,050.00	1,320.00	-270.00	-20.5%
4293573 · Re-Exam REG	990.00	1,110.00	-120.00	-10.8%
4293574 · Re-Exam BEC	1,050.00	1,020.00	30.00	2.9%
4491000 · Interest and Dividend Revenue	5,207.41	8,344.35	-3,136.94	-37.6%
4896021 · Legal Recovery Cost	0.00	550.00	-550.00	-100.0%
<b>Total Income</b>	<b>195,097.41</b>	<b>187,319.35</b>	<b>7,778.06</b>	<b>4.2%</b>
<b>Gross Profit</b>	<b>195,097.41</b>	<b>187,319.35</b>	<b>7,778.06</b>	<b>4.2%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	23,967.24	34,160.03	-10,192.79	-29.8%
5101020 · P-T/Temp Emp Sal & Wages	10,771.94	9,130.97	1,640.97	18.0%
5101030 · Board & Comm Mbrs Fees	1,860.00	1,200.00	660.00	55.0%
5102010 · OASI-Employer's Share	2,714.29	3,247.63	-533.34	-16.4%
5102020 · Retirement-ER Share	2,084.35	2,597.45	-513.10	-19.8%
5102060 · Health /Life Ins.-ER Share	8,177.76	9,502.56	-1,324.80	-13.9%
5102080 · Worker's Compensation	45.15	69.24	-24.09	-34.8%
5102090 · Unemployment Insurance	11.15	32.48	-21.33	-65.7%
5203010 · Auto--State Owned	296.96	381.42	-84.46	-22.1%
5203020 · Auto-Private-Ownes Low Mileage	180.80	0.00	180.80	100.0%
5203030 · In State-Auto- Priv. High Miles	694.86	446.96	247.90	55.5%
5203100 · In State-Lodging	350.00	286.00	64.00	22.4%
5203140 · InState-Tax Meals Not Overnigt	0.00	23.00	-23.00	-100.0%
5203150 · InState-Non-Tax Meals OverNight	215.00	168.00	47.00	28.0%
5203220 · OS-Auto Private Low Mileage	0.00	90.40	-90.40	-100.0%
5203260 · OS-Air Commercial Carrier	2,264.94	2,900.33	-635.39	-21.9%
5203280 · OS-Other Public Carrier	0.00	131.00	-131.00	-100.0%
5203300 · OS-Lodging	2,293.52	4,177.50	-1,883.98	-45.1%
5203320 · OS-Incidentals to Travel	100.00	340.00	-240.00	-70.6%
5203350 · OS-Non-Taxable Meals Overnight	315.00	550.00	-235.00	-42.7%
5204010 · Subscriptions	235.93	328.66	-92.73	-28.2%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	6,700.00	-6,700.00	-100.0%
5204160 · Workshop Registration Fees	1,090.00	872.00	218.00	25.0%
5204180 · Computer Services-State	441.00	432.00	9.00	2.1%
5204181 · Computer Development Serv-State	5,784.30	336.20	5,448.10	1,620.5%
5204200 · Central Services	3,863.86	3,605.39	258.47	7.2%
5204220 · Equipment Service & Maintenance	37.00	44.41	-7.41	-16.7%
5204230 · Janitorial/Maintenance Services	737.16	737.16	0.00	0.0%
5204340 · Computer Software Maintenance	0.00	1,236.25	-1,236.25	-100.0%
5204360 · Advertising-Newspapers	0.00	195.00	-195.00	-100.0%
5204440 · Newsletter Publishing	0.00	496.10	-496.10	-100.0%
5204460 · Equipment Rental	1,536.00	1,719.00	-183.00	-10.7%
5204490 · Rents Privately Owned Property	7,616.70	7,616.70	0.00	0.0%
5204510 · Rent-Other	200.00	255.17	-55.17	-21.6%
5204530 · Telecommunications Services	1,650.08	1,223.12	426.96	34.9%

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
**July through December 2013**

	<u>Jul - Dec 13</u>	<u>Jul - Dec 12</u>	<u>\$ Change</u>	<u>% Change</u>
5204540 · Electricity	324.76	295.17	29.59	10.0%
5204560 · Water	22.35	89.40	-67.05	-75.0%
5204740 · Bank Fees and Charges	3,549.76	2,868.15	681.61	23.8%
5204960 · Other Contractual Services	724.50	0.00	724.50	100.0%
5205020 · Office Supplies	172.71	1,201.37	-1,028.66	-85.6%
5205310 · Printing State	0.00	295.88	-295.88	-100.0%
5205320 · Printing/Duplicating/Binding Co	85.95	389.95	-304.00	-78.0%
5205330 · Supplemental Publications	387.50	350.00	37.50	10.7%
5205350 · Postage	0.00	1,564.71	-1,564.71	-100.0%
5207900 · Computer Hardware	-238.63	2,325.17	-2,563.80	-110.3%
5228000 · Operating Transfers Out-NonBudg	2,031.45	2,968.15	-936.70	-31.6%
5228030 · Depreciation Expense	6,035.16	6,035.16	0.00	0.0%
<b>Total Expense</b>	<u>95,830.50</u>	<u>116,815.24</u>	<u>-20,984.74</u>	<u>-18.0%</u>
<b>Net Ordinary Income</b>	<u>99,266.91</u>	<u>70,504.11</u>	<u>28,762.80</u>	<u>40.8%</u>
<b>Net Income</b>	<u><u>99,266.91</u></u>	<u><u>70,504.11</u></u>	<u><u>28,762.80</u></u>	<u><u>40.8%</u></u>



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STATE OF SOUTH DAKOTA  
CASH CENTER BALANCES  
AS OF: 01/31/2014

PAGE 127

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	356,843.24	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			356,843.24	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			356,843.24	DR **	
BUDGET UNIT TOTAL 1031			356,843.24	DR ***	

BA0205A5 02/01/2014

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 01/31/2014

PAGE 127

AGENCY	BUDGET UNIT	CENTER-5	10	LABOR & REGULATION	BOARD OF ACCOUNTANCY	BOARD OF ACCOUNTANCY	COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPVL #	OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
6503	103100061802	51010100		CGEX131227	01/03/2014												1,986.16	DR
6503	103100061802	51010100		CGEX140113	01/17/2014												2,166.72	DR
6503	103100061802	51010100		CGEX140128	01/31/2014												1,986.16	DR
OBSUB: 51010100 F-T EMP SAL & WAGES																		
6503	103100061802	51010200		CGEX131227	01/03/2014												6,139.04	DR
6503	103100061802	51010200		CGEX140113	01/17/2014												1,277.16	DR
6503	103100061802	51010200		CGEX140128	01/31/2014												1,358.89	DR
6503	103100061802	51010200		CGEX140128	01/31/2014												1,239.40	DR
OBSUB: 51010200 P-T/TEMP EMP SAL & WAGES																		
6503	103100061802	51010300		CGEX131227	01/03/2014												3,875.45	DR
6503	103100061802	51010300		CGEX140128	01/31/2014												120.00	DR
6503	103100061802	51010300		CGEX140128	01/31/2014												300.00	DR
OBSUB: 51010300 BOARD & COMM MBRS FEES																		
6503	103100061802	51020100		CGEX131227	01/03/2014												10,434.49	DR
6503	103100061802	51020100		CGEX140113	01/17/2014												247.07	DR
6503	103100061802	51020100		CGEX140128	01/31/2014												257.94	DR
6503	103100061802	51020100		CGEX140128	01/31/2014												257.94	DR
OBSUB: 51020100 OASI-EMPLOYER'S SHARE																		
6503	103100061802	51020200		CGEX131227	01/03/2014												762.95	DR
6503	103100061802	51020200		CGEX140113	01/17/2014												195.80	DR
6503	103100061802	51020200		CGEX140128	01/31/2014												211.54	DR
6503	103100061802	51020200		CGEX140128	01/31/2014												193.54	DR
OBSUB: 51020200 RETIREMENT-ER SHARE																		
6503	103100061802	51020600		CGEX131227	01/03/2014												600.88	DR
6503	103100061802	51020600		CGEX140113	01/17/2014												908.64	DR
6503	103100061802	51020600		CGEX140128	01/31/2014												908.64	DR
6503	103100061802	51020600		CGEX140128	01/31/2014												908.64	DR
OBSUB: 51020600 HEALTH/LIFE INS.-ER SHARE																		
6503	103100061802	51020800		CGEX131227	01/03/2014												2,725.92	DR
6503	103100061802	51020800		CGEX140113	01/17/2014												4.24	DR
6503	103100061802	51020800		CGEX140128	01/31/2014												4.59	DR
6503	103100061802	51020800		CGEX140128	01/31/2014												4.19	DR
OBSUB: 51020800 WORKER'S COMPENSATION																		
6503	103100061802	51020900		CGEX131227	01/03/2014												13.02	DR
6503	103100061802	51020900		CGEX140113	01/17/2014												1.05	DR
6503	103100061802	51020900		CGEX140128	01/31/2014												1.12	DR
6503	103100061802	51020900		CGEX140128	01/31/2014												1.04	DR
OBSUB: 51020900 UNEMPLOYMENT COMPENSATION																		
6503	103100061802	52041800		DP412096	01/31/2014												4,105.98	DR
6503	103100061802	52041800		DP412096	01/31/2014												14,540.47	DR
6503	103100061802	52041800		DP412096	01/31/2014												474.00	DR
6503	103100061802	52041800		DP412096	01/31/2014												474.00	DR
OBSUB: 52041800 COMPUTER SERVICES-STATE																		
6503	103100061802	52042000		PL412055	01/22/2014												474.00	DR
6503	103100061802	52042000		PL412055	01/22/2014												75.20	DR

BA0205A5 02/01/2014

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 01/31/2014

PAGE 128

AGENCY	BUDGET UNIT	CENTER	LABOR & REGULATION	BOARD OF ACCOUNTANCY	BOARD OF ACCOUNTANCY	DOCUMENT NUMBER	POSTING DATE	JV OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
10	1031	10310	LABOR & REGULATION	BOARD OF ACCOUNTANCY	BOARD OF ACCOUNTANCY								
6503	103100061802	52042000				RM412052	01/22/2014					83.05	DR
6503	103100061802	52042000				TL412154	01/31/2014					120.21	DR
6503	103100061802	52042000				TL412154	01/31/2014					120.21	CR
6503	103100061802	52042200	CENTRAL SERVICES									158.25	DR *
6503	103100061802	52042200				INV1729291	01/10/2014	02060834	MARCOINC	12201534		3.27	DR
6503	103100061802	52042300	EQUIPMENT SERV & MAINT									3.27	DR *
6503	103100061802	52042300				14SC100002 JAN14	01/28/2014	00054163	SUNSETOPFI	12043890		122.86	DR
6503	103100061802	52044600	JANITORIAL & MAINT SERV									122.86	DR *
6503	103100061802	52044600				INV1729291	01/10/2014	02060834	MARCOINC	12201534		57.00	DR
6503	103100061802	52044900	EQUIPMENT RENTAL									57.00	DR *
6503	103100061802	52044900				ACCOUNTRENT2013	01/24/2014	02062859	MCGINNISRO	12074040		1,269.45	DR
6503	103100061802	52045300	RENTS-PRIVATE OWNED PROP.									1,269.45	DR *
6503	103100061802	52045300				TL412154	01/31/2014	00045763	MIDCONTINE	12023782		120.21	DR
6503	103100061802	52045300				111109001 DEC13	01/10/2014	00045763	MIDCONTINE	12023782		95.00	DR
6503	103100061802	52045300				287239210871213	01/10/2014	00047955	ATTMOBILIT	12279233		66.52	DR
6503	103100061802	52045400	TELECOMMUNICATIONS SVCS									281.73	DR *
6503	103100061802	52045400				5159417006 1213	01/10/2014	02060596	XCELENERGY	12023853		68.03	DR
6503	103100061802	52045600	ELECTRICITY									68.03	DR *
6503	103100061802	52045600				127414	01/22/2014	00052372	ECOWATER	12035896		22.35	DR
6503	103100061802	52045600										22.35	DR *
6503	103100061802	52047400	WATER									22.35	DR *
6503	103100061802	52047400				CI104A-042	01/08/2014	195177				80.88	DR
6503	103100061802	52047400				CI104A-042	01/08/2014	195177				80.88	DR
6503	103100061802	52047400				CI104A-042	01/08/2014	195177				80.88	DR
6503	103100061802	52047400										80.88	DR
6503	103100061802	52053100	BANK FEES AND CHARGES									80.88	DR *
6503	103100061802	52053100				CONTRACTUAL SERVICES						2,537.82	DR **
6503	103100061802	52053100				CD412046	01/22/2014					199.70	DR
6503	103100061802	52053200	PRINTING-STATE									199.70	DR *
6503	103100061802	52053200				37907	01/10/2014	00045631	BUSINESSPR	12003048		13.80	DR
6503	103100061802	52053200				37966	01/22/2014	00052116	BUSINESSPR	12003048		13.80	DR
6503	103100061802	52053200										27.60	DR *
6503	103100061802	52053200										227.30	DR **
6503	103100061802	52053200										181.58	DR
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT									181.58	DR *
6503	103100061802	5228000										2,946.70	DR **
6503	103100061802	5228000										17,487.17	DR ***
6503	103100061802	5228000										17,487.17	DR ****
6503	103100061802	5228000										17,487.17	DR ****

BA0205A5 02/01/2014

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 01/31/2014

PAGE 129

AGENCY 10 LABOR & REGULATION  
BUDGET UNIT 1031 BOARD OF ACCOUNTANCY  
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
B. UNIT:	1031								17,487.17	DR *****

**South Dakota Board of Accountancy**  
**Balance Sheet**  
As of January 31, 2014

	Jan 31, 14
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
1130000 · Local Checking - US Bank	2,227.21
1140000 · Pool Cash State of SD	356,843.24
Total Checking/Savings	359,070.45
Other Current Assets	
1131000 · Interest Income Receivable	5,207.41
1213000 · Investment Income Receivable	970.07
Total Other Current Assets	6,177.48
Total Current Assets	365,247.93
Fixed Assets	
1670000 · Computer Software	
Original Cost	140,063.23
1770000 · Depreciation	-123,969.31
Total 1670000 · Computer Software	16,093.92
Total Fixed Assets	16,093.92
<b>TOTAL ASSETS</b>	<b>381,341.85</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	3,655.62
Total Accounts Payable	3,655.62
Other Current Liabilities	
2430000 · Accrued Wages Payable	6,461.56
2810000 · Amounts Held for Others	28,399.42
Total Other Current Liabilities	34,860.98
Total Current Liabilities	38,516.60
Long Term Liabilities	
2960000 · Compensated Absences Payable	14,119.90
Total Long Term Liabilities	14,119.90
Total Liabilities	52,636.50
Equity	
3220000 · Unrestricted Net Assets	228,916.80
3300100 · Invested In Capital Assets	16,093.92
3900 · Retained Earnings	58.38
Net Income	83,636.25
Total Equity	328,705.35
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>381,341.85</b>

# South Dakota Board of Accountancy

## Profit & Loss Budget vs. Actual

July 2013 through January 2014

	Jul '13 - Jan 14	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	2,175.00	2,200.00	-25.00	98.9%
4293551 · Certificate Renewals-Active	56,450.00	53,000.00	3,450.00	106.5%
4293552 · Certificate Renewals-Inactive	19,800.00	19,000.00	800.00	104.2%
4293553 · Certificate Renewals-Retired				
5208005 · REFUNDS	-40.00			
4293553 · Certificate Renewals-Retired - Other	860.00	700.00	160.00	122.9%
Total 4293553 · Certificate Renewals-Retired	820.00	700.00	120.00	117.1%
4293554 · Initial Firm Permits	250.00	1,250.00	-1,000.00	20.0%
4293555 · Firm Permit Renewals				
5208004 · REFUNDS	-300.00			
4293555 · Firm Permit Renewals - Other	14,050.00	18,000.00	-3,950.00	78.1%
Total 4293555 · Firm Permit Renewals	13,750.00	18,000.00	-4,250.00	76.4%
4293557 · Initial Audit	390.00	900.00	-510.00	43.3%
4293558 · Re-Exam Audit	1,500.00	2,460.00	-960.00	61.0%
4293560 · Late Fees-Initial Certificate	200.00	0.00	200.00	100.0%
4293561 · Late Fees-Certificate Renewals				
5208006 · REFUNDS	-100.00			
4293561 · Late Fees-Certificate Renewals - Other	2,150.00	4,000.00	-1,850.00	53.8%
Total 4293561 · Late Fees-Certificate Renewals	2,050.00	4,000.00	-1,950.00	51.3%
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	700.00	800.00	-100.00	87.5%
4293564 · Late Fees-Peer Review	800.00	1,300.00	-500.00	61.5%
4293566 · Firm Permit Owners				
5208003 · REFUNDS	-520.00			
4293566 · Firm Permit Owners - Other	87,885.00	70,000.00	17,885.00	125.6%
Total 4293566 · Firm Permit Owners	87,365.00	70,000.00	17,365.00	124.8%
4293567 · Peer Review Admin Fee	1,650.00	5,650.00	-4,000.00	29.2%
4293568 · Firm Permit Name Change	175.00	100.00	75.00	175.0%
4293569 · Initial FAR	600.00	1,140.00	-540.00	52.6%
4293570 · Initial REG	330.00	660.00	-330.00	50.0%
4293571 · Initial BEC	300.00	930.00	-630.00	32.3%
4293572 · Re-Exam FAR	1,140.00	1,860.00	-720.00	61.3%
4293573 · Re-Exam REG	1,200.00	2,310.00	-1,110.00	51.9%
4293574 · Re-Exam BEC	1,170.00	2,310.00	-1,140.00	50.6%
4491000 · Interest and Dividend Revenue	5,207.41	9,000.00	-3,792.59	57.9%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
Total Income	198,022.41	198,570.00	-547.59	99.7%
<b>Gross Profit</b>	198,022.41	198,570.00	-547.59	99.7%
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	30,106.28	72,759.00	-42,652.72	41.4%
5101020 · P-T/Temp Emp Sal & Wages	14,647.39	18,779.00	-4,131.61	78.0%
5101030 · Board & Comm Mbrs Fees	2,280.00	4,372.00	-2,092.00	52.2%
5102010 · OASI-Employer's Share	3,477.24	7,362.00	-3,884.76	47.2%
5102020 · Retirement-ER Share	2,685.23	5,492.00	-2,806.77	48.9%
5102060 · Health /Life Ins.-ER Share	10,903.68	22,007.00	-11,103.32	49.5%
5102080 · Worker's Compensation	58.17	254.00	-195.83	22.9%
5102090 · Unemployment Insurance	14.36	91.00	-76.64	15.8%
5203010 · Auto--State Owned	296.96	600.00	-303.04	49.5%
5203020 · Auto-Private-Ownes Low Mileage	180.80	400.00	-219.20	45.2%
5203030 · In State-Auto- Priv. High Miles	694.86	1,500.00	-805.14	46.3%
5203100 · In State-Lodging	350.00	1,000.00	-650.00	35.0%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203140 · InState-Tax Meals Not Overnigt	0.00	100.00	-100.00	0.0%
5203150 · InState-Non-Tax Meals OverNight	215.00	400.00	-185.00	53.8%
5203220 · OS-Auto Private Low Mileage	0.00	0.00	0.00	0.0%
5203230 · OS-Auto Private High Mileage	0.00	100.00	-100.00	0.0%
5203260 · OS-Air Commercial Carrier	2,264.94	5,700.00	-3,435.06	39.7%

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
July 2013 through January 2014

	Jul '13 - Jan 14	Budget	\$ Over Budget	% of Budget
5203280 · OS-Other Public Carrier	0.00	500.00	-500.00	0.0%
5203300 · OS-Lodging	2,293.52	7,800.00	-5,506.48	29.4%
5203320 · OS-Incidentals to Travel	100.00	350.00	-250.00	28.6%
5203350 · OS-Non-Taxable Meals Overnight	315.00	1,200.00	-885.00	26.3%
5204010 · Subscriptions	235.93	1,000.00	-764.07	23.6%
5204020 · Dues and Membership Fees	3,200.00	3,900.00	-700.00	82.1%
5204030 · Legal Document Fees	0.00	500.00	-500.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	6,700.00	-6,700.00	0.0%
5204130 · Consultant Fees-Other	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	1,090.00	6,000.00	-4,910.00	18.2%
5204180 · Computer Services-State	513.00	600.00	-87.00	85.5%
5204181 · Computer Development Serv-State	6,186.30	10,400.00	-4,213.70	59.5%
5204200 · Central Services	4,022.11	7,000.00	-2,977.89	57.5%
5204220 · Equipment Service & Maintenance	40.12	300.00	-259.88	13.4%
5204230 · Janitorial/Maintenance Services	860.02	1,560.00	-699.98	55.1%
5204340 · Computer Software Maintenance	0.00	1,000.00	-1,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	1,000.00	-1,000.00	0.0%
5204440 · Newsletter Publishing	0.00	1,100.00	-1,100.00	0.0%
5204460 · Equipment Rental	1,593.00	4,500.00	-2,907.00	35.4%
5204480 · Microfilm and Photography	0.00	700.00	-700.00	0.0%
5204490 · Rents Privately Owned Property	8,886.15	15,531.00	-6,644.85	57.2%
5204510 · Rent-Other	200.00	200.00	0.00	100.0%
5204530 · Telecommunications Services	2,001.67	2,500.00	-498.33	80.1%
5204540 · Electricity	389.82	865.00	-475.18	45.1%
5204560 · Water	44.70	240.00	-195.30	18.6%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204740 · Bank Fees and Charges	3,630.64	5,000.00	-1,369.36	72.6%
5204960 · Other Contractual Services	724.50	0.00	724.50	100.0%
5205020 · Office Supplies	182.40	2,000.00	-1,817.60	9.1%
5205028 · OFFICE SUPPLIES-2	0.00	0.00	0.00	0.0%
5205310 · Printing State	199.70	500.00	-300.30	39.9%
5205320 · Printing/Duplicating/Binding Co	99.75	1,000.00	-900.25	10.0%
5205330 · Supplemental Publications	387.50	700.00	-312.50	55.4%
5205340 · Microfilm Supplies/Materials	0.00	300.00	-300.00	0.0%
5205350 · Postage	0.00	2,000.00	-2,000.00	0.0%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207900 · Computer Hardware	-238.63	4,800.00	-5,038.63	-5.0%
5207950 · System Development	0.00	500.00	-500.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	500.00	-500.00	0.0%
5228000 · Operating Transfers Out-NonBudg	2,213.03	7,400.00	-5,186.97	29.9%
5228030 · Depreciation Expense	7,041.02	12,070.40	-5,029.38	58.3%
<b>Total Expense</b>	<b>114,386.16</b>	<b>255,542.40</b>	<b>-141,156.24</b>	<b>44.8%</b>
<b>Net Ordinary Income</b>	<b>83,636.25</b>	<b>-56,972.40</b>	<b>140,608.65</b>	<b>-146.8%</b>
<b>Net Income</b>	<b>83,636.25</b>	<b>-56,972.40</b>	<b>140,608.65</b>	<b>-146.8%</b>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
**January 2014**

	Jan 14	Jan 13	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
Income				
4293550 · Initial Individual Certificate	575.00	300.00	275.00	91.7%
4293551 · Certificate Renewals-Active	0.00	100.00	-100.00	-100.0%
4293552 · Certificate Renewals-Inactive	50.00	100.00	-50.00	-50.0%
4293554 · Initial Firm Permits	50.00	50.00	0.00	0.0%
4293555 · Firm Permit Renewals	0.00	50.00	-50.00	-100.0%
4293557 · Initial Audit	150.00	0.00	150.00	100.0%
4293558 · Re-Exam Audit	180.00	90.00	90.00	100.0%
4293560 · Late Fees-Initial Certificate	50.00	0.00	50.00	100.0%
4293561 · Late Fees-Certificate Renewals	0.00	200.00	-200.00	-100.0%
4293563 · Late Fees-Firm Permit Renewals	0.00	50.00	-50.00	-100.0%
4293564 · Late Fees-Peer Review	50.00	250.00	-200.00	-80.0%
4293566 · Firm Permit Owners	65.00	585.00	-520.00	-88.9%
4293567 · Peer Review Admin Fee	750.00	450.00	300.00	66.7%
4293568 · Firm Permit Name Change	75.00	25.00	50.00	200.0%
4293569 · Initial FAR	150.00	0.00	150.00	100.0%
4293570 · Initial REG	240.00	0.00	240.00	100.0%
4293571 · Initial BEC	120.00	0.00	120.00	100.0%
4293572 · Re-Exam FAR	90.00	150.00	-60.00	-40.0%
4293573 · Re-Exam REG	210.00	180.00	30.00	16.7%
4293574 · Re-Exam BEC	120.00	120.00	0.00	0.0%
<b>Total Income</b>	<b>2,925.00</b>	<b>2,700.00</b>	<b>225.00</b>	<b>8.3%</b>
<b>Gross Profit</b>	<b>2,925.00</b>	<b>2,700.00</b>	<b>225.00</b>	<b>8.3%</b>
Expense				
5101010 · F-T Emp Sal & Wages	6,139.04	5,864.01	275.03	4.7%
5101020 · P-T/Temp Emp Sal & Wages	3,875.45	1,527.03	2,348.42	153.8%
5101030 · Board & Comm Mbrs Fees	420.00	240.00	180.00	75.0%
5102010 · OASI-Employer's Share	762.95	558.33	204.62	36.7%
5102020 · Retirement-ER Share	600.88	443.46	157.42	35.5%
5102060 · Health /Life Ins.-ER Share	2,725.92	1,583.76	1,142.16	72.1%
5102080 · Worker's Compensation	13.02	11.82	1.20	10.2%
5102090 · Unemployment Insurance	3.21	5.56	-2.35	-42.3%
5204180 · Computer Services-State	72.00	69.00	3.00	4.4%
5204181 · Computer Development Serv-State	402.00	516.00	-114.00	-22.1%
5204200 · Central Services	158.25	128.96	29.29	22.7%
5204220 · Equipment Service & Maintenance	3.12	4.20	-1.08	-25.7%
5204230 · Janitorial/Maintenance Services	122.86	122.86	0.00	0.0%
5204340 · Computer Software Maintenance	0.00	52.50	-52.50	-100.0%
5204460 · Equipment Rental	57.00	57.00	0.00	0.0%
5204490 · Rents Privately Owned Property	1,269.45	1,269.45	0.00	0.0%
5204530 · Telecommunications Services	351.59	223.69	127.90	57.2%
5204540 · Electricity	65.06	65.61	-0.55	-0.8%
5204560 · Water	22.35	0.00	22.35	100.0%
5204740 · Bank Fees and Charges	80.88	90.35	-9.47	-10.5%
5205020 · Office Supplies	9.69	14.55	-4.86	-33.4%
5205310 · Printing State	199.70	0.00	199.70	100.0%
5205320 · Printing/Duplicating/Binding Co	13.80	27.00	-13.20	-48.9%
5205330 · Supplemental Publications	0.00	280.00	-280.00	-100.0%
5228000 · Operating Transfers Out-NonBudg	181.58	213.56	-31.98	-15.0%
5228030 · Depreciation Expense	1,005.86	1,005.86	0.00	0.0%
<b>Total Expense</b>	<b>18,555.66</b>	<b>14,374.56</b>	<b>4,181.10</b>	<b>29.1%</b>
<b>Net Ordinary Income</b>	<b>-15,630.66</b>	<b>-11,674.56</b>	<b>-3,956.10</b>	<b>-33.9%</b>
<b>Net Income</b>	<b>-15,630.66</b>	<b>-11,674.56</b>	<b>-3,956.10</b>	<b>-33.9%</b>



**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
July 2013 through January 2014

	Jul '13 - Jan 14	Jul '12 - Jan 13	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	2,175.00	1,800.00	375.00	20.8%
4293551 · Certificate Renewals-Active	56,450.00	55,050.00	1,400.00	2.5%
4293552 · Certificate Renewals-Inactive	19,800.00	20,050.00	-250.00	-1.3%
4293553 · Certificate Renewals-Retired	820.00	710.00	110.00	15.5%
4293554 · Initial Firm Permits	250.00	700.00	-450.00	-64.3%
4293555 · Firm Permit Renewals	13,750.00	19,900.00	-6,150.00	-30.9%
4293557 · Initial Audit	390.00	210.00	180.00	85.7%
4293558 · Re-Exam Audit	1,500.00	1,380.00	120.00	8.7%
4293560 · Late Fees-Initial Certificate	200.00	100.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,050.00	2,250.00	-200.00	-8.9%
4293563 · Late Fees-Firm Permit Renewals	700.00	550.00	150.00	27.3%
4293564 · Late Fees-Peer Review	800.00	500.00	300.00	60.0%
4293566 · Firm Permit Owners	87,365.00	72,410.00	14,955.00	20.7%
4293567 · Peer Review Admin Fee	1,650.00	600.00	1,050.00	175.0%
4293568 · Firm Permit Name Change	175.00	25.00	150.00	600.0%
4293569 · Initial FAR	600.00	570.00	30.00	5.3%
4293570 · Initial REG	330.00	210.00	120.00	57.1%
4293571 · Initial BEC	300.00	210.00	90.00	42.9%
4293572 · Re-Exam FAR	1,140.00	1,470.00	-330.00	-22.5%
4293573 · Re-Exam REG	1,200.00	1,290.00	-90.00	-7.0%
4293574 · Re-Exam BEC	1,170.00	1,140.00	30.00	2.6%
4491000 · Interest and Dividend Revenue	5,207.41	8,344.35	-3,136.94	-37.6%
4896021 · Legal Recovery Cost	0.00	550.00	-550.00	-100.0%
<b>Total Income</b>	<b>198,022.41</b>	<b>190,019.35</b>	<b>8,003.06</b>	<b>4.2%</b>
<b>Gross Profit</b>	<b>198,022.41</b>	<b>190,019.35</b>	<b>8,003.06</b>	<b>4.2%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	30,106.28	40,024.04	-9,917.76	-24.8%
5101020 · P-T/Temp Emp Sal & Wages	14,647.39	10,658.00	3,989.39	37.4%
5101030 · Board & Comm Mbrs Fees	2,280.00	1,440.00	840.00	58.3%
5102010 · OASI-Employer's Share	3,477.24	3,805.96	-328.72	-8.6%
5102020 · Retirement-ER Share	2,685.23	3,040.91	-355.68	-11.7%
5102060 · Health /Life Ins.-ER Share	10,903.68	11,086.32	-182.64	-1.7%
5102080 · Worker's Compensation	58.17	81.06	-22.89	-28.2%
5102090 · Unemployment Insurance	14.36	38.04	-23.68	-62.3%
5203010 · Auto--State Owned	296.96	381.42	-84.46	-22.1%
5203020 · Auto-Private-Ownes Low Mileage	180.80	0.00	180.80	100.0%
5203030 · In State-Auto- Priv. High Miles	694.86	446.96	247.90	55.5%
5203100 · In State-Lodging	350.00	286.00	64.00	22.4%
5203140 · InState-Tax Meals Not OverNigt	0.00	23.00	-23.00	-100.0%
5203150 · InState-Non-Tax Meals OverNigt	215.00	168.00	47.00	28.0%
5203220 · OS-Auto Private Low Mileage	0.00	90.40	-90.40	-100.0%
5203260 · OS-Air Commercial Carrier	2,264.94	2,900.33	-635.39	-21.9%
5203280 · OS-Other Public Carrier	0.00	131.00	-131.00	-100.0%
5203300 · OS-Lodging	2,293.52	4,177.50	-1,883.98	-45.1%
5203320 · OS-Incidentals to Travel	100.00	340.00	-240.00	-70.6%
5203350 · OS-Non-Taxable Meals Overnight	315.00	550.00	-235.00	-42.7%
5204010 · Subscriptions	235.93	328.66	-92.73	-28.2%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	6,700.00	-6,700.00	-100.0%
5204160 · Workshop Registration Fees	1,090.00	872.00	218.00	25.0%
5204180 · Computer Services-State	513.00	501.00	12.00	2.4%
5204181 · Computer Development Serv-State	6,186.30	852.20	5,334.10	625.9%
5204200 · Central Services	4,022.11	3,734.35	287.76	7.7%
5204220 · Equipment Service & Maintenance	40.12	48.61	-8.49	-17.5%
5204230 · Janitorial/Maintenance Services	860.02	860.02	0.00	0.0%
5204340 · Computer Software Maintenance	0.00	1,288.75	-1,288.75	-100.0%
5204360 · Advertising-Newspapers	0.00	195.00	-195.00	-100.0%
5204440 · Newsletter Publishing	0.00	496.10	-496.10	-100.0%
5204460 · Equipment Rental	1,593.00	1,776.00	-183.00	-10.3%
5204490 · Rents Privately Owned Property	8,886.15	8,886.15	0.00	0.0%
5204510 · Rent-Other	200.00	255.17	-55.17	-21.6%
5204530 · Telecommunications Services	2,001.67	1,446.81	554.86	38.4%

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
**July 2013 through January 2014**

	<u>Jul '13 - Jan 14</u>	<u>Jul '12 - Jan 13</u>	<u>\$ Change</u>	<u>% Change</u>
5204540 · Electricity	389.82	360.78	29.04	8.1%
5204560 · Water	44.70	89.40	-44.70	-50.0%
5204740 · Bank Fees and Charges	3,630.64	2,958.50	672.14	22.7%
5204960 · Other Contractual Services	724.50	0.00	724.50	100.0%
5205020 · Office Supplies	182.40	1,215.92	-1,033.52	-85.0%
5205310 · Printing State	199.70	295.88	-96.18	-32.5%
5205320 · Printing/Duplicating/Binding Co	99.75	416.95	-317.20	-76.1%
5205330 · Supplemental Publications	387.50	630.00	-242.50	-38.5%
5205350 · Postage	0.00	1,564.71	-1,564.71	-100.0%
5207900 · Computer Hardware	-238.63	2,325.17	-2,563.80	-110.3%
5228000 · Operating Transfers Out-NonBudg	2,213.03	3,181.71	-968.68	-30.5%
5228030 · Depreciation Expense	7,041.02	7,041.02	0.00	0.0%
<b>Total Expense</b>	<u>114,386.16</u>	<u>131,189.80</u>	<u>-16,803.64</u>	<u>-12.8%</u>
<b>Net Ordinary Income</b>	<u>83,636.25</u>	<u>58,829.55</u>	<u>24,806.70</u>	<u>42.2%</u>
<b>Net Income</b>	<u><b>83,636.25</b></u>	<u><b>58,829.55</b></u>	<u><b>24,806.70</b></u>	<u><b>42.2%</b></u>

BA1409R1

STATE OF SOUTH DAKOTA  
CASH CENTER BALANCES  
AS OF: 02/28/2014

PAGE

129

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	345,341.54	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			345,341.54	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			345,341.54	DR **	
BUDGET UNIT TOTAL 1031			345,341.54	DR ***	

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 02/28/2014

AGENCY	BUDGET UNIT	CENTER-5	10	1031	LABOR & REGULATION BOARD OF ACCOUNTANCY BOARD OF ACCOUNTANCY					
COMP	CENTER	ACCOUNT	DOCUMENT	POSTING	JV ADEVL #	SHORT	VENDOR	VENDOR	AMOUNT	DR/
			NUMBER	DATE	OR PAYMENT #	NAME	NUMBER	GROUP		CR
COMPANY NO	6503									
COMPANY NAME	PROFESSIONAL & LICENSING BOARDS									
6503	103100061802	51010100	CGEX140212	02/14/2014					1,986.16	DR
6503	103100061802	51010100	CGEX140226	02/28/2014					1,805.60	DR
OBJSUB:	5101010	F-T EMP SAL & WAGES							3,791.76	DR *
6503	103100061802	51010200	CGEX140212	02/14/2014					1,241.23	DR
6503	103100061802	51010200	CGEX140226	02/28/2014					1,138.17	DR
OBJSUB:	5101020	P-T/TEMP EMP SAL & WAGES							2,379.40	DR *
OBJECT:	5101	EMPLOYEE SALARIES							6,171.16	DR **
6503	103100061802	51020100	CGEX140212	02/14/2014					235.14	DR
6503	103100061802	51020100	CGEX140226	02/28/2014					213.44	DR
OBJSUB:	5102010	OAS-EMPLOYER'S SHARE							448.58	DR *
6503	103100061802	51020200	CGEX140212	02/14/2014					193.64	DR
6503	103100061802	51020200	CGEX140226	02/28/2014					176.63	DR
OBJSUB:	5102020	RETIREMENT-ER SHARE							370.27	DR *
6503	103100061802	51020600	CGEX140212	02/14/2014					908.64	DR
6503	103100061802	51020600	CGEX140226	02/28/2014					908.64	DR
OBJSUB:	5102060	HEALTH/LIFE INS.-ER SHARE							1,817.28	DR *
6503	103100061802	51020800	CGEX140212	02/14/2014					4.19	DR
6503	103100061802	51020800	CGEX140226	02/28/2014					3.83	DR
OBJSUB:	5102080	WORKER'S COMPENSATION							8.02	DR *
6503	103100061802	51020900	CGEX140212	02/14/2014					1.04	DR
6503	103100061802	51020900	CGEX140226	02/28/2014					.94	DR
OBJSUB:	5102090	UNEMPLOYMENT COMPENSATION							1.98	DR *
OBJECT:	5102	EMPLOYEE BENEFITS							2,646.13	DR **
GROUP:	51	PERSONAL SERVICES							8,817.29	DR ***
6503	103100061802	52041600	020714	02/25/2014	00062994	NATLASSNST	12005047		695.00	DR
OBJSUB:	5204160	WORKSHOP REGISTRATION FEE							695.00	DR *
6503	103100061802	52041800	DP401099	02/28/2014					309.80	DR
OBJSUB:	5204180	COMPUTER SERVICES-STATE							309.80	DR *
6503	103100061802	52042000	PL401058	02/28/2014					282.00	DR
OBJSUB:	5204200	CENTRAL SERVICES							282.00	DR *
6503	103100061802	52042200	INV1774906	02/05/2014	02064652	MARCOINC	12201534		3.12	DR
OBJSUB:	5204220	EQUIPMENT SERV & MAINT							3.12	DR *
6503	103100061802	52042300	14SC100002 FEB14	02/25/2014	00063365	SUNSETOFFI	12043890		122.86	DR
OBJSUB:	5204230	JANITORIAL & MAINT SERV							122.86	DR *

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 02/28/2014

AGENCY 10 LABOR & REGULATION  
BUDGET UNIT 1031 BOARD OF ACCOUNTANCY  
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	52044600	INVL774906	02/05/2014	02064652	MARCOINC	12201534		57.00	DR
OBJSUB: 5204460 EQUIPMENT RENTAL 6503 103100061802 52044900 ACCOUNTRENT2013 02/25/2014 02066694 MCGINNISRO 12074040										
OBJSUB: 5204490 RENTS-PRIVATE OWNED PROP. 6503 103100061802 52045300 TT401155 02/28/2014 00056938 MIDCONTINE 12023782 6503 103100061802 52045300 111109001 JAN14 02/05/2014 00060125 ATMOBILIT 12279233 6503 103100061802 52045300 2872359210870114 02/12/2014										
OBJSUB: 5204530 TELECOMMUNICATIONS SRVCS 6503 103100061802 52045400 5159417006 0114 02/07/2014 02064750 XCELENERGY 12023853										
OBJSUB: 5204540 ELECTRICITY 6503 103100061802 52047400 CI104A-048 02/07/2014 197512 6503 103100061802 52047400 CI104A-048 02/07/2014 197512 6503 103100061802 52047400 CI104A-048 02/07/2014 197512										
OBJSUB: 5204740 BANK FEES AND CHARGES 6503 103100061802 52049600 13537031 02/07/2014 00058107 NATLASSNST 12005047										
OBJSUB: 5204960 OTHER CONTRACTUAL SERVICE 6503 103100061802 52050200 188834 02/07/2014 02065044 OFFICEMAXI 12162845										
OBJSUB: 5205020 OFFICE SUPPLIES 6503 103100061802 5228000 5205 SUPPLIES & MATERIALS T104-069 02/05/2014										
OBJSUB: 5228000 OPER TRANS OUT -NON BUDGT 6503 103100061802 5228000 5228 NONOP EXP/NONEGTD OP TR 6503 103100061802 5228000 52 GROUP: 52 OPERATING EXPENSES 6503 103100061802 5228000 52 CNTR: 103100061802 6503 103100061802 5228000 52 B. UNIT: 1031										

585.98 DR \*  
585.98 DR \*\*  
7,061.55 DR \*\*\*  
15,878.84 DR \*\*\*\*  
15,878.84 DR \*\*\*\*\*  
15,878.84 DR \*\*\*\*\*

**South Dakota Board of Accountancy**  
**Balance Sheet**  
As of February 28, 2014

	Feb 28, 14
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1130000 · Local Checking - US Bank	384.53
1140000 · Pool Cash State of SD	345,341.54
<b>Total Checking/Savings</b>	345,726.07
<b>Other Current Assets</b>	
1131000 · Interest Income Receivable	5,207.41
1213000 · Investment Income Receivable	970.07
<b>Total Other Current Assets</b>	6,177.48
<b>Total Current Assets</b>	351,903.55
<b>Fixed Assets</b>	
1670000 · Computer Software	
Original Cost	140,063.23
1770000 · Depreciation	-124,975.17
<b>Total 1670000 · Computer Software</b>	15,088.06
<b>Total Fixed Assets</b>	15,088.06
<b>TOTAL ASSETS</b>	<b>366,991.61</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2110000 · Accounts Payable	4,673.40
<b>Total Accounts Payable</b>	4,673.40
<b>Other Current Liabilities</b>	
2430000 · Accrued Wages Payable	6,461.56
2810000 · Amounts Held for Others	25,277.04
<b>Total Other Current Liabilities</b>	31,738.60
<b>Total Current Liabilities</b>	36,412.00
<b>Long Term Liabilities</b>	
2960000 · Compensated Absences Payable	14,119.90
<b>Total Long Term Liabilities</b>	14,119.90
<b>Total Liabilities</b>	50,531.90
<b>Equity</b>	
3220000 · Unrestricted Net Assets	229,922.66
3300100 · Invested In Capital Assets	15,088.06
3900 · Retained Earnings	58.38
Net Income	71,390.61
<b>Total Equity</b>	316,459.71
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>366,991.61</b>

# South Dakota Board of Accountancy

## Profit & Loss Budget vs. Actual

July 2013 through February 2014

	Jul '13 - Feb 14	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	2,250.00	2,200.00	50.00	102.3%
4293551 · Certificate Renewals-Active	56,450.00	53,000.00	3,450.00	106.5%
4293552 · Certificate Renewals-Inactive	20,050.00	19,000.00	1,050.00	105.5%
4293553 · Certificate Renewals-Retired				
5208005 · REFUNDS	-40.00			
4293553 · Certificate Renewals-Retired - Other	860.00	700.00	160.00	122.9%
<b>Total 4293553 · Certificate Renewals-Retired</b>	<b>820.00</b>	<b>700.00</b>	<b>120.00</b>	<b>117.1%</b>
4293554 · Initial Firm Permits	250.00	1,250.00	-1,000.00	20.0%
4293555 · Firm Permit Renewals				
5208004 · REFUNDS	-300.00			
4293555 · Firm Permit Renewals - Other	14,100.00	18,000.00	-3,900.00	78.3%
<b>Total 4293555 · Firm Permit Renewals</b>	<b>13,800.00</b>	<b>18,000.00</b>	<b>-4,200.00</b>	<b>76.7%</b>
4293557 · Initial Audit	420.00	900.00	-480.00	46.7%
4293558 · Re-Exam Audit	1,560.00	2,460.00	-900.00	63.4%
4293560 · Late Fees-Initial Certificate	200.00	0.00	200.00	100.0%
4293561 · Late Fees-Certificate Renewals				
5208006 · REFUNDS	-100.00			
4293561 · Late Fees-Certificate Renewals - Other	2,400.00	4,000.00	-1,600.00	60.0%
<b>Total 4293561 · Late Fees-Certificate Renewals</b>	<b>2,300.00</b>	<b>4,000.00</b>	<b>-1,700.00</b>	<b>57.5%</b>
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	700.00	800.00	-100.00	87.5%
4293564 · Late Fees-Peer Review	850.00	1,300.00	-450.00	65.4%
4293566 · Firm Permit Owners				
5208003 · REFUNDS	-520.00			
4293566 · Firm Permit Owners - Other	88,015.00	70,000.00	18,015.00	125.7%
<b>Total 4293566 · Firm Permit Owners</b>	<b>87,495.00</b>	<b>70,000.00</b>	<b>17,495.00</b>	<b>125.0%</b>
4293567 · Peer Review Admin Fee	1,725.00	5,650.00	-3,925.00	30.5%
4293568 · Firm Permit Name Change	175.00	100.00	75.00	175.0%
4293569 · Initial FAR	630.00	1,140.00	-510.00	55.3%
4293570 · Initial REG	330.00	660.00	-330.00	50.0%
4293571 · Initial BEC	300.00	930.00	-630.00	32.3%
4293572 · Re-Exam FAR	1,170.00	1,860.00	-690.00	62.9%
4293573 · Re-Exam REG	1,260.00	2,310.00	-1,050.00	54.5%
4293574 · Re-Exam BEC	1,290.00	2,310.00	-1,020.00	55.8%
4491000 · Interest and Dividend Revenue	5,207.41	9,000.00	-3,792.59	57.9%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
<b>Total Income</b>	<b>199,232.41</b>	<b>198,570.00</b>	<b>662.41</b>	<b>100.3%</b>
<b>Gross Profit</b>	<b>199,232.41</b>	<b>198,570.00</b>	<b>662.41</b>	<b>100.3%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	33,898.04	72,759.00	-38,860.96	46.6%
5101020 · P-T/Temp Emp Sal & Wages	17,026.79	18,779.00	-1,752.21	90.7%
5101030 · Board & Comm Mbrs Fees	2,280.00	4,372.00	-2,092.00	52.2%
5102010 · OASI-Employer's Share	3,925.82	7,362.00	-3,436.18	53.3%
5102020 · Retirement-ER Share	3,055.50	5,492.00	-2,436.50	55.6%
5102060 · Health /Life Ins.-ER Share	12,720.96	22,007.00	-9,286.04	57.8%
5102080 · Worker's Compensation	66.19	254.00	-187.81	26.1%
5102090 · Unemployment Insurance	16.34	91.00	-74.66	18.0%
5203010 · Auto--State Owned	296.96	600.00	-303.04	49.5%
5203020 · Auto-Private-Ownes Low Mileage	180.80	400.00	-219.20	45.2%
5203030 · In State-Auto- Priv. High Miles	694.86	1,500.00	-805.14	46.3%
5203100 · In State-Lodging	350.00	1,000.00	-650.00	35.0%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203140 · InState-Tax Meals Not OverNigt	0.00	100.00	-100.00	0.0%
5203150 · InState-Non-Tax Meals OverNight	215.00	400.00	-185.00	53.8%
5203220 · OS-Auto Private Low Mileage	0.00	0.00	0.00	0.0%
5203230 · OS-Auto Private High Mileage	0.00	100.00	-100.00	0.0%
5203260 · OS-Air Commercial Carrler	2,264.94	5,700.00	-3,435.06	39.7%

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
July 2013 through February 2014

	Jul '13 - Feb 14	Budget	\$ Over Budget	% of Budget
5203280 · OS-Other Public Carrier	0.00	500.00	-500.00	0.0%
5203300 · OS-Lodging	2,293.52	7,800.00	-5,506.48	29.4%
5203320 · OS-Incidentals to Travel	100.00	350.00	-250.00	28.6%
5203350 · OS-Non-Taxable Meals Overnight	315.00	1,200.00	-885.00	26.3%
5204010 · Subscriptions	235.93	1,000.00	-764.07	23.6%
5204020 · Dues and Membership Fees	3,200.00	3,900.00	-700.00	82.1%
5204030 · Legal Document Fees	0.00	500.00	-500.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	6,700.00	-6,700.00	0.0%
5204130 · Consultant Fees-Other	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	1,785.00	6,000.00	-4,215.00	29.8%
5204180 · Computer Services-State	585.00	600.00	-15.00	97.5%
5204181 · Computer Development Serv-State	6,424.10	10,400.00	-3,975.90	61.8%
5204200 · Central Services	4,304.11	7,000.00	-2,695.89	61.5%
5204220 · Equipment Service & Maintenance	42.84	300.00	-257.16	14.3%
5204230 · Janitorial/Maintenance Services	982.88	1,560.00	-577.12	63.0%
5204340 · Computer Software Maintenance	0.00	1,000.00	-1,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	1,000.00	-1,000.00	0.0%
5204440 · Newsletter Publishing	0.00	1,100.00	-1,100.00	0.0%
5204460 · Equipment Rental	1,650.00	4,500.00	-2,850.00	36.7%
5204480 · Microfilm and Photography	0.00	700.00	-700.00	0.0%
5204490 · Rents Privately Owned Property	10,155.60	15,531.00	-5,375.40	65.4%
5204510 · Rent-Other	200.00	200.00	0.00	100.0%
5204530 · Telecommunications Services	2,168.40	2,500.00	-331.60	86.7%
5204540 · Electricity	456.66	865.00	-408.34	52.8%
5204560 · Water	44.70	240.00	-195.30	18.6%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204740 · Bank Fees and Charges	3,704.75	5,000.00	-1,295.25	74.1%
5204960 · Other Contractual Services	724.50	0.00	724.50	100.0%
5205020 · Office Supplies	182.40	2,000.00	-1,817.60	9.1%
5205028 · OFFICE SUPPLIES-2	0.00	0.00	0.00	0.0%
5205310 · Printing State	199.70	500.00	-300.30	39.9%
5205320 · Printing/Duplicating/Binding Co	99.75	1,000.00	-900.25	10.0%
5205330 · Supplemental Publications	387.50	700.00	-312.50	55.4%
5205340 · Microfilm Supplies/Materials	0.00	300.00	-300.00	0.0%
5205350 · Postage	0.00	2,000.00	-2,000.00	0.0%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207900 · Computer Hardware	-238.63	4,800.00	-5,038.63	-5.0%
5207950 · System Development	0.00	500.00	-500.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	500.00	-500.00	0.0%
5228000 · Operating Transfers Out-NonBudg	2,799.01	7,400.00	-4,600.99	37.8%
5228030 · Depreciation Expense	8,046.88	12,070.40	-4,023.52	66.7%
<b>Total Expense</b>	<b>127,841.80</b>	<b>255,542.40</b>	<b>-127,700.60</b>	<b>50.0%</b>
<b>Net Ordinary Income</b>	<b>71,390.61</b>	<b>-56,972.40</b>	<b>128,363.01</b>	<b>-125.3%</b>
<b>Net Income</b>	<b>71,390.61</b>	<b>-56,972.40</b>	<b>128,363.01</b>	<b>-125.3%</b>



**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
**February 2014**

	<u>Feb 14</u>	<u>Feb 13</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Ordinary Income/Expense</b>				
Income				
4293550 · Initial Individual Certificate	75.00	200.00	-125.00	-62.5%
4293551 · Certificate Renewals-Active	0.00	50.00	-50.00	-100.0%
4293552 · Certificate Renewals-Inactive	250.00	0.00	250.00	100.0%
4293555 · Firm Permit Renewals	50.00	100.00	-50.00	-50.0%
4293557 · Initial Audit	30.00	0.00	30.00	100.0%
4293558 · Re-Exam Audit	60.00	120.00	-60.00	-50.0%
4293561 · Late Fees-Certificate Renewals	250.00	50.00	200.00	400.0%
4293564 · Late Fees-Peer Review	50.00	150.00	-100.00	-66.7%
4293566 · Firm Permit Owners	130.00	585.00	-455.00	-77.8%
4293567 · Peer Review Admin Fee	75.00	225.00	-150.00	-66.7%
4293568 · Firm Permit Name Change	0.00	25.00	-25.00	-100.0%
4293569 · Initial FAR	30.00	0.00	30.00	100.0%
4293572 · Re-Exam FAR	30.00	150.00	-120.00	-80.0%
4293573 · Re-Exam REG	60.00	60.00	0.00	0.0%
4293574 · Re-Exam BEC	120.00	90.00	30.00	33.3%
<b>Total Income</b>	<u>1,210.00</u>	<u>1,805.00</u>	<u>-595.00</u>	<u>-33.0%</u>
<b>Gross Profit</b>	<u>1,210.00</u>	<u>1,805.00</u>	<u>-595.00</u>	<u>-33.0%</u>
Expense				
5101010 · F-T Emp Sal & Wages	3,791.76	6,026.03	-2,234.27	-37.1%
5101020 · P-T/Temp Emp Sal & Wages	2,379.40	1,527.03	852.37	55.8%
5101030 · Board & Comm Mbrs Fees	0.00	180.00	-180.00	-100.0%
5102010 · OASI-Employer's Share	448.58	575.52	-126.94	-22.1%
5102020 · Retirement-ER Share	370.27	453.18	-82.91	-18.3%
5102060 · Health /Life Ins.-ER Share	1,817.28	1,583.76	233.52	14.7%
5102080 · Worker's Compensation	8.02	12.08	-4.06	-33.6%
5102090 · Unemployment Insurance	1.98	5.66	-3.68	-65.0%
5203010 · Auto--State Owned	0.00	318.50	-318.50	-100.0%
5203100 · In State-Lodging	0.00	162.75	-162.75	-100.0%
5203140 · InState-Tax Meals Not Overnigt	0.00	9.00	-9.00	-100.0%
5203150 · InState-Non-Tax Meals OverNight	0.00	69.00	-69.00	-100.0%
5204160 · Workshop Registration Fees	695.00	1,390.00	-695.00	-50.0%
5204180 · Computer Services-State	72.00	69.00	3.00	4.4%
5204181 · Computer Development Serv-State	237.80	70.95	166.85	235.2%
5204200 · Central Services	282.00	1,045.41	-763.41	-73.0%
5204220 · Equipment Service & Maintenance	2.72	2.58	0.14	5.4%
5204230 · Janitorial/Maintenance Services	122.86	122.86	0.00	0.0%
5204340 · Computer Software Maintenance	0.00	141.60	-141.60	-100.0%
5204460 · Equipment Rental	57.00	654.00	-597.00	-91.3%
5204490 · Rents Privately Owned Property	1,269.45	1,269.45	0.00	0.0%
5204530 · Telecommunications Services	166.73	216.67	-49.94	-23.1%
5204540 · Electricity	66.84	61.52	5.32	8.7%
5204560 · Water	0.00	22.35	-22.35	-100.0%
5204740 · Bank Fees and Charges	74.11	69.78	4.33	6.2%
5205020 · Office Supplies	0.00	5.00	-5.00	-100.0%
5228000 · Operating Transfers Out-NonBudg	585.98	466.67	119.31	25.6%
5228030 · Depreciation Expense	1,005.86	1,005.86	0.00	0.0%
<b>Total Expense</b>	<u>13,455.64</u>	<u>17,536.21</u>	<u>-4,080.57</u>	<u>-23.3%</u>
<b>Net Ordinary Income</b>	<u>-12,245.64</u>	<u>-15,731.21</u>	<u>3,485.57</u>	<u>22.2%</u>
<b>Net Income</b>	<u><b>-12,245.64</b></u>	<u><b>-15,731.21</b></u>	<u><b>3,485.57</b></u>	<u><b>22.2%</b></u>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
**July 2013 through February 2014**

	<u>Jul '13 - Feb 14</u>	<u>Jul '12 - Feb 13</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	2,250.00	2,000.00	250.00	12.5%
4293551 · Certificate Renewals-Active	56,450.00	55,100.00	1,350.00	2.5%
4293552 · Certificate Renewals-Inactive	20,050.00	20,050.00	0.00	0.0%
4293553 · Certificate Renewals-Retired	820.00	710.00	110.00	15.5%
4293554 · Initial Firm Permits	250.00	700.00	-450.00	-64.3%
4293555 · Firm Permit Renewals	13,800.00	20,000.00	-6,200.00	-31.0%
4293557 · Initial Audit	420.00	210.00	210.00	100.0%
4293558 · Re-Exam Audit	1,560.00	1,500.00	60.00	4.0%
4293560 · Late Fees-Initial Certificate	200.00	100.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,300.00	2,300.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	700.00	550.00	150.00	27.3%
4293564 · Late Fees-Peer Review	850.00	650.00	200.00	30.8%
4293566 · Firm Permit Owners	87,495.00	72,995.00	14,500.00	19.9%
4293567 · Peer Review Admin Fee	1,725.00	825.00	900.00	109.1%
4293568 · Firm Permit Name Change	175.00	50.00	125.00	250.0%
4293569 · Initial FAR	630.00	570.00	60.00	10.5%
4293570 · Initial REG	330.00	210.00	120.00	57.1%
4293571 · Initial BEC	300.00	210.00	90.00	42.9%
4293572 · Re-Exam FAR	1,170.00	1,620.00	-450.00	-27.8%
4293573 · Re-Exam REG	1,260.00	1,350.00	-90.00	-6.7%
4293574 · Re-Exam BEC	1,290.00	1,230.00	60.00	4.9%
4491000 · Interest and Dividend Revenue	5,207.41	8,344.35	-3,136.94	-37.6%
4896021 · Legal Recovery Cost	0.00	550.00	-550.00	-100.0%
<b>Total Income</b>	<b>199,232.41</b>	<b>191,824.35</b>	<b>7,408.06</b>	<b>3.9%</b>
<b>Gross Profit</b>	<b>199,232.41</b>	<b>191,824.35</b>	<b>7,408.06</b>	<b>3.9%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	33,898.04	46,050.07	-12,152.03	-26.4%
5101020 · P-T/Temp Emp Sal & Wages	17,026.79	12,185.03	4,841.76	39.7%
5101030 · Board & Comm Mbrs Fees	2,280.00	1,620.00	660.00	40.7%
5102010 · OASI-Employer's Share	3,925.82	4,381.48	-455.66	-10.4%
5102020 · Retirement-ER Share	3,055.50	3,494.09	-438.59	-12.6%
5102060 · Health /Life Ins.-ER Share	12,720.96	12,670.08	50.88	0.4%
5102080 · Worker's Compensation	66.19	93.14	-26.95	-28.9%
5102090 · Unemployment Insurance	16.34	43.70	-27.36	-62.6%
5203010 · Auto--State Owned	296.96	699.92	-402.96	-57.6%
5203020 · Auto-Private-Ownes Low Mileage	180.80	0.00	180.80	100.0%
5203030 · In State-Auto- Priv. High Miles	694.86	446.96	247.90	55.5%
5203100 · In State-Lodging	350.00	448.75	-98.75	-22.0%
5203140 · InState-Tax Meals Not Overnigt	0.00	32.00	-32.00	-100.0%
5203150 · InState-Non-Tax Meals OverNight	215.00	237.00	-22.00	-9.3%
5203220 · OS-Auto Private Low Mileage	0.00	90.40	-90.40	-100.0%
5203260 · OS-Air Commercial Carrier	2,264.94	2,900.33	-635.39	-21.9%
5203280 · OS-Other Public Carrier	0.00	131.00	-131.00	-100.0%
5203300 · OS-Lodging	2,293.52	4,177.50	-1,883.98	-45.1%
5203320 · OS-Incidentals to Travel	100.00	340.00	-240.00	-70.6%
5203350 · OS-Non-Taxable Meals Overnight	315.00	550.00	-235.00	-42.7%
5204010 · Subscriptions	235.93	328.66	-92.73	-28.2%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	6,700.00	-6,700.00	-100.0%
5204160 · Workshop Registration Fees	1,785.00	2,262.00	-477.00	-21.1%
5204180 · Computer Services-State	585.00	570.00	15.00	2.6%
5204181 · Computer Development Serv-State	6,424.10	923.15	5,500.95	595.9%
5204200 · Central Services	4,304.11	4,779.76	-475.65	-10.0%
5204220 · Equipment Service & Maintenance	42.84	51.19	-8.35	-16.3%
5204230 · Janitorial/Maintenance Services	982.88	982.88	0.00	0.0%
5204340 · Computer Software Maintenance	0.00	1,430.35	-1,430.35	-100.0%
5204360 · Advertising-Newspapers	0.00	195.00	-195.00	-100.0%
5204440 · Newsletter Publishing	0.00	496.10	-496.10	-100.0%
5204460 · Equipment Rental	1,650.00	2,430.00	-780.00	-32.1%
5204490 · Rents Privately Owned Property	10,155.60	10,155.60	0.00	0.0%
5204510 · Rent-Other	200.00	255.17	-55.17	-21.6%
5204530 · Telecommunications Services	2,168.40	1,663.48	504.92	30.4%

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
July 2013 through February 2014

	Jul '13 - Feb 14	Jul '12 - Feb 13	\$ Change	% Change
5204540 · Electricity	456.66	422.30	34.36	8.1%
5204560 · Water	44.70	111.75	-67.05	-60.0%
5204740 · Bank Fees and Charges	3,704.75	3,028.28	676.47	22.3%
5204960 · Other Contractual Services	724.50	0.00	724.50	100.0%
5205020 · Office Supplies	182.40	1,220.92	-1,038.52	-85.1%
5205310 · Printing State	199.70	295.88	-96.18	-32.5%
5205320 · Printing/Duplicating/Binding Co	99.75	416.95	-317.20	-76.1%
5205330 · Supplemental Publications	387.50	630.00	-242.50	-38.5%
5205350 · Postage	0.00	1,564.71	-1,564.71	-100.0%
5207900 · Computer Hardware	-238.63	2,325.17	-2,563.80	-110.3%
5228000 · Operating Transfers Out-NonBudg	2,799.01	3,648.38	-849.37	-23.3%
5228030 · Depreciation Expense	8,046.88	8,046.88	0.00	0.0%
<b>Total Expense</b>	<b>127,841.80</b>	<b>148,726.01</b>	<b>-20,884.21</b>	<b>-14.0%</b>
<b>Net Ordinary Income</b>	<b>71,390.61</b>	<b>43,098.34</b>	<b>28,292.27</b>	<b>65.7%</b>
<b>Net Income</b>	<b>71,390.61</b>	<b>43,098.34</b>	<b>28,292.27</b>	<b>65.7%</b>

## REPORT TO BOARD ON GRADES

Nicole Kasin

The grades were posted for review for the 40<sup>th</sup> window. These grades are through March 2014. I have included the average scores per school since CBT started along with the number of students that have sat for their school respectively. The last chart shows the averages for the past 8 windows.

### Overall Average Window 1-40

Window	(All)
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Average of Score	Section				
School	AUD	BEC	FAR	REG	Grand Total
Augie	75	72	73	73	73
BHSU	70	70	70	71	70
COTech	66	70	70	75	70
DSU	71	70	63	68	68
DWU	71	67	64	75	69
Mt. Marty	68	69	71	68	68
NAU	64	58	61	68	63
NSU	71	69	72	70	71
OS	73	72	70	73	72
SDSU	73	74	75	77	75
USD	77	75	75	75	75
USF	72	74	73	78	74
Grand Total	73	72	72	73	73

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

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

Count of Score	Section				
School	AUD	BEC	FAR	REG	Grand Total
Augie	67	74	62	72	275
BHSU	83	84	69	71	307
COTech	22	17	10	13	62
DSU	14	15	15	12	56
DWU	11	11	8	9	39
Mt. Marty	19	22	12	18	71
NAU	6	10	13	17	46
NSU	79	95	59	73	306
OS	198	204	192	186	780
SDSU	28	31	21	23	103
USD	190	206	199	188	783
USF	58	58	63	42	221
Grand Total	775	827	723	724	3049

Average for past 8 windows (3 or more parts)

Window	(Multiple Items)
--------	------------------

Average of Score	Section				
School	AUD	BEC	FAR	REG	Grand Total
Augie	80	74	70	77	75
BHSU	74	74	71	73	73
COTech	66	69	76	76	69
DSU				62	62
DWU	77	70			74
Mt. Marty	71	75	70	66	70
NAU	72	70	67	69	69
NSU	74	74	73	72	73
OS	74	74	67	71	71
SDSU	70	75	71	79	73
USD	76	76	76	74	76
USF	70	74	71	79	72
Grand Total	74	74	72	73	73

The Board needs to Approve the 2014-1 (40<sup>th</sup> Window) grades.

## **EXECUTIVE DIRECTOR'S REPORT**

Nicole Kasin

### **AICPA Issues**

The exposure draft from ARSC was presented at the December meeting. Comments on the exposure draft are due May 2, 2014. The questions posed in the exposure draft are as follows:

1. ARSC asks for specific feedback about whether respondents are supportive of the revised applicability for the compilation engagement so that the standard applies only when the accountant is engaged to perform a compilation engagement.
2. ARSC asks for specific feedback about whether respondents are supportive of the issuance of standards and guidance for an engagement to prepare financial statements.
3. ARSC asks for specific feedback about whether respondents are supportive of the requirement that the engagement letter or other suitable form of written agreement be signed by (a) the accountant or the accountant's firm and (b) management
4. ARSC asks for specific feedback about whether respondents are supportive of the proposed requirement that each page of the financial statements that the accountant has prepared include a statement or legend stating that no CPA provides any assurance on the financial statements or else the accountant would be required to issue a disclaimer.
5. ARSC asks for specific feedback about whether respondents are supportive of the proposed compilation reporting requirements
6. ARSC asks for specific feedback about whether respondents are supportive of the proposed standard that would provide requirements and guidance when an accountant permits the use of the accountant's name in a report, document, or written communication containing financial statements on which the accountant did not issue a compilation, review, or audit report.
7. ARSC asks for specific feedback about whether respondents are supportive of the proposed effective dates, specifically the permitting of early implementation.

The response I received shows support for 1-5. Number 6 is not supported and number 7 is supported for early implementation for 1-5, but not for 6. Does the board want to send comments on the exposure draft?

### **NASBA**

- Response from Dan Dustin on NASBA focus questions and what is done with the information. The letter follows this report.
- Foreign Evaluations – with the information received from the ED conference and further discussion with Executive Directors on the issue, I propose a letter be sent to the foreign evaluators the board has approved in the past to update their process with us.

#### **Recap from Executive Directors Conference**

- Table topic - Background checks/ multi-testers
- NASBA Report- recap from Ken Bishop & Carlos Johnson on various areas and tasks that have been going on in NASBA.
- Legislative update- how bill tracking works, details on how to create alerts and conduct searches, various legislative sessions across the USA, examples of high priority bills in the current sessions

- National registry - going through the national registry and how audits are performed on the CPE providers. Overview of how to look up a sponsor on the page by registry number or by provider name. Overview of the CPE standards and the responsibility of providers.  
Maria Caldwell- look at current standards and propose changes and updates on how the future of CPE will be provided.  
Eric Dingler- how at his firm(Deloitte) they have turnover which is close to every 5 years, employees are more transitional and they are going to receive the best working environment, using leading edge learning solutions, traditionally the way CPE is provided is not how people learn. New methods are nano learning, development roadmaps, holistic development, assessment & certification.
- Update admin of CPA exam - recap of the exam the past 10 years since it went computerized. What has been done to improve the candidate experience (online services, nts reprints, score reporting, extended customer service hours, candidate care and outreach, and international experience) Kim Farace- overall functions of Prometric business, test center support there are 285 test centers with 5,250 seats an increase of 31% over the past 10 years. There are test center administrators in each location, 95% of candidates schedule exam online, events that occur to have a center not able to test (CNATT) due to weather or unforeseen technical issues. Candidates are sent a text and email in regards to this. All sites that have a CNATT are posted on website. Security policy is uniform at all locations. Technology upgrades include server updates at all locations that deliver CPA exam and stations are using windows 7. Testing operations headquartered in Baltimore.  
Mike Decker - preparing for the practice analysis (CBT3) key initiatives include market analysis, practice analysis to respond to the needs of the profession.
- Investigator training- free training which can be completed in a few hours. Modules cover areas in complaint process, investigative process, gathering documents, interview techniques, report writing, and expert witness.
- Foreign credential- What to look for in foreign education, accreditation for those foreign institutes, various providers and the many various differences.
- Federal agency outreach- bringing back the quarterly reports and updates to the boards, reaching out to the federal agencies to educate, build and rebuild relationships, streamline processes, increasing access to information, collect and share info.
- NASBA CPE audit services- NASBA service offered for free to utilize uploading documents into the program, viewing those that are selected and their CPE documents.
- Table topic- Practice analysis beginning with AICPA and the steps and input they will be doing.
- State Society Relations- update from the WA Ex Dir of society and how the relationship began with him and the board ED. The working relationship and how it has grown to be a collective effort to protect the public in WA and to keep a united front in the eyes of the public.
- NASBA technology update- Flow chart of the IT department, security services including completed projects, projects that are in process and upcoming projects which includes the development of the new database.
- IRS- office of professional responsibility. Overview of circular 230 stating there are 5 subparts. OPR is for the individual's fitness to practice and the sanctions under circular 230. Overview of the 2012 & 2013 disciplinary results. The open statistics of 4Q13 and the majority of cases are for conduct over compliance issues. Where referrals come from are they mandatory referrals or discretionary referrals.

Update on Loving v. IRS- IRS is reviewing the decision but they continue to believe that it is critical for taxpayers to be able to rely on quality work from tax preparers. Proposed revisions to 10.31, 10.35, 10.36, 10.37, 10.39, and 10.82.

- Civil litigation -FTC: the state action doctrine should not prevent antitrust suits against state licensing boards that are composed of private competitors deputized to regulate their own competition and to outright exclude those who compete with them, often with the threat of criminal sanction.
  1. Whitening teeth- Supreme Court hearing
  2. Supreme court ruling on whistle blowing (Lawson v. FRM inc.) protection extends to employees of private companies that work for publicly held corporations. In general, per SEC, an auditor for a publicly traded company cannot qualify as a whistleblower. Ban does not apply to external auditors of non-issuers under certain circumstances. Ban does not apply to internal auditors under certain circumstances.
  3. Greenberg v. Western CPE- unpublished decision: CPE course provider did not defame a CPA whose disciplinary action was included in the course material.
  4. In re Garcia- CA Supreme Court held that an undocumented immigrant was permitted to apply for admission to the state bar as permitted under state law.
- Report from legal counsel- great discussion from roll call and issues across the boards covered holding out, background checks, open records, proposals for rule changes, hot topics from current legal cases, peer review oversight committee, enforcement tools on NASBA website.
- Dept of Labor- they plan to start referring substandard work on audits to the state boards, issues with audit quality remains problematic; those with the most problems are those that do 1-2 audits a year (dabblers), 82,579 plan audits by 7,358 CPA firms worth 6.3 trillion in plan assets which are subject to audit. DOL is performing risk assessments and generating inspections on the plans. Referrals to the AICPA have been over 800 with the focus is on rehabilitating the practitioner and they receive status updates on referrals. Referrals to state boards are near 100, referrals are made to states when AICPA has no jurisdiction. States are asked to request work papers when they receive a referral. During presentation- boards asked for the list of 7,358 firms by state to check and see if they are licensed and eligible to perform the service (not signing peer review exemption) also asked for all the referrals that go to the AICPA to also be sent to the boards for ability of dual investigations to be completed by AICPA and the boards.

## **Board Discussion**

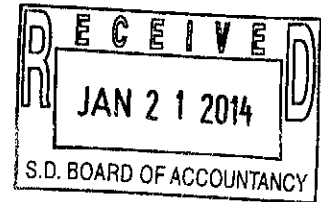
- Any New Business/topics?





National Association of State Boards of Accountancy

150 Fourth Avenue North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel 615/880-4208 ♦ Fax 615/880-4208 ♦ ddustin@nasba.org



**Daniel J. Dustin, CPA**  
Vice President, State Board Relations

January 15, 2014

Ms. Nicole Kasin, Executive Director  
South Dakota Board of Accountancy  
301 East 14<sup>th</sup> Street, Suite 200  
Sioux Falls, SD 57104

Dear Nicole:

The members of the South Dakota Board of Accountancy recently asked what NASBA does with the information it receives from the quarterly FOCUS questions and the next steps NASBA takes with the data and information gathered from the responses to the FOCUS questions.

FOCUS question responses received from the Boards of Accountancy follow two pathways when received from member Boards of Accountancy. First, the responses become a focal point of the quarterly meetings of the NASBA Committee on Relations with Member Boards. The committee membership consists of the eight NASBA Regional Directors who also serve as members of the NASBA Board of Directors. For example, at their meeting on January 16, 2014, committee members will review outstanding issues that require (or that have received) follow-up and they will also review issues to be discussed with the Executive Committee of NASBA's Board of Directors. In addition to their review, John Johnson, Director of Legislative & Governmental Affairs and I will participate in the meeting via conference call to share information and inquiries that we have received from the Boards of Accountancy during the quarter.

The Committee on Relations with Member Boards will use the information to pinpoint areas for discussion and may ultimately decide that an issue becomes an agenda topic at the NASBA Regional meetings or the Annual meeting. Regional Directors also have an opportunity to use the information gathered from the FOCUS questions to use as topics for regional conference calls among Boards of Accountancy. Based on the timing and level of importance given an issue, the Regional Directors may also ask that NASBA issue a Quick Poll to the Board of Accountancy Executive Directors to gather additional information on the issue.

The second path is internal to NASBA. As the Vice President, State Board Relations, I have been charged with reviewing requests for assistance from Boards of Accountancy that in part are received through FOCUS question responses and aligning the necessary NASBA resources to respond to and provide assistance to the Boards of Accountancy. This assistance may be in the form of research, assistance with

rules and legislation, advocacy, communications, as well as providing information on other NASBA services.

NASBA and its Board of Directors view the FOCUS questions as a valuable tool to gather input from the Boards of Accountancy on contemporary issues facing the Boards. If you have any additional questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan", with a long horizontal stroke extending to the left.

Daniel J. Dustin, CPA  
Vice President, State Board Relations



## **AICPA BOARD OF EXAMINERS (BOE) MEETING HIGHLIGHTS January 23-24, 2014**

### **Participants**

**BOE Members:** Rick Niswander (Chair), Wendy Perez (Past Chair), Allan Cohen, Steve DeVecchio, Mari DeVries, Kadriye Ercikan, Russ Friedewald, Bucky Glover, Jeff Hoops, Kristine Hull, Barbara Ley, Gary Lubin, Leslie Mostow, Gina Pruitt, Mark Shermis, Paula Thomas, Tom Winkler

**AICPA Staff:** Michael Decker (Director), Noel Albertson, Ophir Leavy, Joe Maslott, John Mattar, Scarlett Rajski, Robin Stackhouse

**NASBA Staff:** Onita Porter (NASBA Examination Review Board)

**Observers:** Sandy Greenberg (ProExam), Krista McMasters (Consultant)

### **Committee Reports**

At the January 2014 BOE meeting, the BOE heard reports from the State Board Committee (SBC) and the Content Committee.

- **Barbara Ley**, Chair of the State Board Committee, reported on the prior day's meeting. The SBC is sponsoring an updated 2014 version of the CPA Exam booklet, which was distributed for the first time in 2013. The 2014 launch is anticipated for the May NASBA regional meetings. The State Board Committee (SBC) is also sponsoring an "Event in a Box," composed of a PowerPoint and complementary talking points that are targeted for students and educators.
- **Mari DeVries**, Chair of the Content Committee, recapped the subcommittees' activities during the January meeting in Orlando. The Item Development Process Improvement (IDPI) sponsor group has been disbanded and the Content Committee now monitors the new MCQ development process. All exam sections currently have robust item banks. A focus group session was completed on the Practice Analysis in January. The Committee is also overseeing the ongoing Technical Accuracy Review (TAR) of all operational items in the item bank.

### **Pass Rate Update**

The BOE discussed the 2013 pass rates and determined that all sections of the Examination are fairly measuring candidates' performance. It was noted that the BEC section's pass rates are trending a few points higher than the other sections of the Exam. The POC suggested that higher pass rates may indicate that institutions are becoming better at teaching the material and raising the standard as a result. The Content Committee and POC also reviewed the candidate sequences for taking the BEC section. They noticed that of the four sections, candidates may be taking the BEC section last. Candidates who have already passed the other three sections tend to be better performing, and thus, the pass rates trend higher. This trend will be investigated further. Overall, the BOE also noted that candidates must take all four sections of the Exam to pass the Uniform CPA Examination before proceeding to licensure, and that overall pass rates are steady. Thus, a slightly higher pass rate for BEC does not appear to change the overall integrity of the CPA profession and the Exam.

**Market Analysis Update**

During October's meeting, the BOE discussed the flattening volume of domestic CPA candidates. While the number of accounting graduates is increasing, it is not translating to an increased number of CPA candidates. **Michael Decker**, Director of Examinations, provided an update on the market and candidate pipeline analysis that was defined as an initiative in the BOE's strategic plan. Since the analysis may result in findings that affect the accounting profession as a whole, the Examinations team will work with the larger AICPA team to execute the analysis and implement any findings.

**Sponsor Group Report**

The BOE heard Sponsor Group Reports on the Practice Analysis, Financial Oversight Group, Recruiting, and NextGen.

- The first Sponsor Group Report focused on the Practice Analysis, which is aligned with the BOE's strategic plan. The BOE Sponsor Group and the Sponsor Advisory Group both oversee the Practice Analysis. The BOE Sponsor Group consists of six individuals (with 50% representation from boards of accountancy) who meet monthly either in-person or electronically. The Sponsor Advisory Group is a larger group of 11 individuals from all types of entities including large firms, academia, business and industry, NASBA, Big 4, and others. Sandy Greenberg of ProExam conducted a Practice Analysis internal focus group with BOE members to explore the process and gather feedback for the Practice Analysis working group. ProExam will be the entity responsible for conducting multiple focus groups over the next few months.
- **Dr. Rick Niswander**, BOE Chair, presented an overview of the budget during the Financial Oversight Group (FOG) report. Careful budgeting is always a priority with a focus not to raise fees for the exam. The FOG group reviewed budgeting for the upcoming Practice Analysis and technology projects, which all fall within the scope of the domestic contract.
- **Paula Thomas**, BOE Member, is continuing to focus on volunteer recruiting needs for the BOE and related subcommittees in terms of diversity, contractual requirements, professional experience, succession planning, areas of expertise, and staggered terms. The process began early and a volunteer communications campaign will be launched with help from the BOE. Two positions will be opening for the State Board Committee, including one executive director's position. Boards of accountancy should let Ophir Leheavy, SBC staff liaison, know if they are interested.
- **Gary Lubin**, BOE member, and **Noel Albertson**, AICPA Director of Systems and Project Management, provided an update on the NextGen project, which is the transition of the Exam's technical infrastructure to web-based technologies. The project is progressing on plan and the team is performing well. The objectives have been identified and deemed attainable, and any identified risks are being managed appropriately.

**Director's Report**

**Michael Decker** delivered infrastructure, administrative and staffing updates during the Director's Report. Key initiatives include the development of new item types, review of item currency, and

continued implementation of IDPI. An internal organizational analysis is being conducted with new staff being welcomed to support ongoing and future initiatives.

**ERB Report**

**Onita Porter** of the Examination Review Board (ERB), the auditors of the Exam on behalf of the state boards of accountancy, presented the ERB Report. Two staff members report the work of the ERB and a volunteer committee sets the policy. Increased coordination and trusted collaboration among the three parties (NASBA, AICPA, and Prometric) all help to secure improved security and reliability of test administrations.



National Association of State Boards of Accountancy

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♦ 150 Fourth Avenue, North ♦ Suite 700 ♦ Nashville, TN 37219-2417 ♦ Tel 615.880-4201 ♦  
Fax 615.880.4291 ♦ [www.nasba.org](http://www.nasba.org) ♦

February 14, 2014

Mr. Jeffrey J. Diermeier  
Chairman  
Financial Accounting Foundation  
401 Merritt 7, P.O. Box 5116  
Norwalk, CT 06856-5116

Ms. Teresa S. Polley  
President and CEO  
Financial Accounting Foundation  
401 Merritt 7, P.O. Box 5116  
Norwalk, CT 06856-5116

Re: January 28, 2014 FAF Press Release

Dear Mr. Diermeier and Ms. Polley:

It is with great interest, as well as concern on several levels, that we note the January 28, 2014 Financial Accounting Foundation's (FAF) press release announcing the contribution of up to \$3 million dollars to the International Financial Reporting Standards Foundation (IFRSF) "to support the international convergence programs."

This funding decision appears to have been made without the usual transparency and due consideration of stakeholder input that have historically been hallmarks of FAF practice. This divergence from typical FAF policy of openness is concerning as we would have expected FAF to follow the same openness policies it mandates of its own standard setting boards.

We are also concerned that the press release in itself was without sufficient explanation of reasoning for the contribution. Given this, we are left with many questions, including:

- Why would FAF make a one-time contribution to its international counterpart for use in completing convergence projects, when its own body, the Financial Accounting Standards Board (FASB), is bearing similar costs of convergence?
- How was it determined that such a large contribution be made?
- Are future contributions contemplated?
- Has FAF considered the appropriateness of redirecting federally mandated corporate funding of the FASB to the IASB, an international standard setter not currently recognized by the Securities and Exchange Commission (SEC) as an authoritative third-party standard-setter for domestic issuers?
- According to the FAF press release, the contribution was made “in consultation” with the SEC. What was the nature of the SEC’s role in the FAF’s decision to make this contribution?
- Does this contribution, ostensibly for the purpose of completing convergence projects, signal that the SEC and FAF have implicitly agreed that continued convergence is open-ended, or conversely, that, with funds being redirected to IASB, the option of IFRS for all publically-traded companies is on the horizon?

NASBA is concerned that this action by FAF only adds confusion and uncertainty to the ongoing dialogue regarding the future of accounting standard-setting in the United States. With the SEC Staff’s Final Report in 2012<sup>1</sup>, it seemed that stakeholders had accepted the notion that the FASB would remain as the U.S.’s sole accounting standard setter. This funding decision could reopen what has been a very contentious debate for the past decade.

As to the convergence to International Financial Reporting Standards (IFRS), we have been consistent in our position for some time. In a November 2007 comment letter to the SEC<sup>2</sup>, NASBA first went on record opposing the transition from U.S. Generally Accepted Accounting Principles (GAAP) to IFRS by stating, “NASBA strongly believes that the SEC should support the process of convergence of standards by the FASB and the IASB as the way to implement the internationalization of accounting reporting standards, and neither permit nor require domestic reporting entities to use IFRS set by the IASB.” NASBA’s February 19, 2009 follow-up letter to the SEC<sup>3</sup> also stated in reference to independence concerns, “Unlike the FASB, whose funding is

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<sup>1</sup> SEC’s Work Plan for the Consideration of Incorporating International Financial Reporting Standards into the Financial Reporting System for U.S. Issuers – Final Staff Report, dated July 13, 2013

<sup>2</sup> NASBA letter to SEC in response to Concept Release on Allowing U.S. Issuers to Prepare Financial Statements in Accordance with International Financial Reporting Standards, dated November 13, 2007

<sup>3</sup> NASBA letter to SEC in response to “Roadmap for the Potential Use of Financial Statements Prepared in Accordance with International Financial Reporting Standards By U.S. Issuers”, dated February 19, 2009

through assessments on companies that report to the Commission, as mandated by Congress, the IASB is dependent on contributions, including significant funding from public accounting firms. The IASB, therefore, is not free from influence by members or member organizations of public accountants or, for that matter, the clients of such firms.” The inherent lack of financial independence of the IASB remains of serious concern.

NASBA’s position seems to align with the SEC’s currently exposed strategic plan<sup>4</sup> wherein they state, “The SEC will continue to promote the establishment of high-quality accounting standards by independent standard setters in order to meet the needs of investors. In overseeing the Financial Accounting Standards Board (FASB), the SEC will strengthen and support the FASB’s independence and maintain the focus of financial reporting on the needs of investors. Due to the increasingly global nature of the capital markets, the agency will work to promote higher quality financial reporting worldwide and will consider, among other things, whether a single set of high-quality global accounting standards is achievable.”

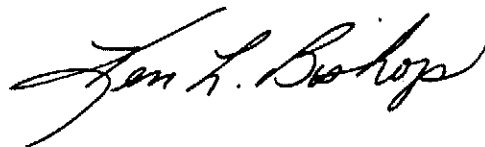
Though we are bewildered by what is left unsaid in the press release on January 28<sup>th</sup> and the lack of specificity as to the reasoning for the \$3 million contribution, we remain fully supportive of the FAF and its mission. We simply request that more transparency be considered in matters such as the contribution to the IFRSF.

We also continue to support the efforts of FAF and FASB to utilize a disciplined approach towards alignment of GAAP and IFRS, when it is practically possible.

Sincerely,



Carlos Johnson, CPA  
NASBA Chair



Ken L. Bishop  
NASBA President and CEO

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<sup>4</sup> U.S. Securities and Exchange Commission Strategic Plan: Fiscal Years 2014-2018 – Draft for Comment, issued February 3, 2014





STATE OF OKLAHOMA  
OKLAHOMA ACCOUNTANCY BOARD

February 10, 2014

Mr. Gaylen R. Hansen, CPA  
Chair, NASBA Nominating Committee  
150 Fourth Avenue North, Suite 700  
Nashville, TN 37219-2417

Re: Oklahoma Accountancy Board Nomination of Janice L. Gray, CPA, for NASBA Vice  
Chair 2014-2015

Dear Mr. Hansen and Members of the Nominating Committee:

At its meeting on February 7, 2014, the Oklahoma Accountancy Board voted unanimously to support Mrs. Janice L. Gray, CPA, for the position of NASBA Vice-Chair for 2014-2015.

A proven leader, Mrs. Gray is dedicated to the advancement of the accounting profession, participating in numerous local, state and national professional organizations. She currently presides as Chair of the NASBA Compliance as Assurance Committee as well as having previously elected to serve as Southwest Regional Director for four years and currently serves as a Director at Large.

Janice served a three year term as the regulator representative on the AICPA Peer Review Board and served a two year term as an inaugural member of the Board of Examiners State Board Committee. Recently Janice was appointed to serve as the NASBA representative on the Accounting and Review Services Committee of the AICPA.

Please accept this letter as the Oklahoma Accountancy Board's nomination of Mrs. Janice L. Gray, CPA, for the position of NASBA Vice-Chair for 2014-2015. We appreciate the opportunity to provide this recommendation and respectfully submit it for your consideration.

Sincerely,

Executive Director

cc: Mr. Ken L. Bishop, NASBA President & Chief Executive Officer  
Members, Oklahoma Accountancy Board  
State Boards of Accountancy

Janice L. Gray, CPA, CVA, CFF  
Norman, Oklahoma 73069

Janice is currently the managing member of Gray, Blodgett & Company, PLLC, a local firm in Norman, Oklahoma, where she has been employed since 1981. Ms. Gray also holds the CVA certification from the National Association of Certified Valuation Analysts and the AICPA designation of Certified Financial Forensics.

Education

High School Diploma – 1967 – Eufaula, Oklahoma

Bachelor of Science – 1977 East Central University, Ada, Oklahoma

Professional Experience

1981–Present - Managing Partner, Gray, Blodgett & Company, PLLC, Norman, OK

1978–1981 - Chief Financial Officer, Pre-paid Legal Services, a Public Company, Ada, OK

1978 - - Staff Accountant, Horne & Co., Certified Public Accountants, Ada, OK

National Association of State Boards of Accountancy Experience

Participation in NASBA has included attending regional and annual meetings during the past ten years. In 2013 Janice was elected to serve as a director at large for NASBA. Janice was elected to serve as the Southwest Regional Director for the previous three years.

Committee service has included serving on the Compliance Assurance Committee and serving as chair for the current and previous three years. Current committee service also includes serving on the Audit Committee. Previous committee services include the Relations with Member Boards Committee, NASBA's Education Committee and the Regulatory Response Committee.

Serving as chairman of the Compliance Assurance Committee Janice has led in the continuing development of Peer Review Oversight Committees for NASBA members. Included in committee responsibilities has been traveling to several jurisdictions to make presentations of information regarding the peer review process and why PROC's are important to educate members of accountancy boards.

Janice served a three year term as the regulator representative on the AICPA Peer Review Board and served a two year term as an inaugural member of the

Board of Examiners State Board Committee. Janice serves as the NASBA representative on the Accounting and Review Services Committee of the AICPA.

#### Oklahoma Accountancy Board Service

Appointed by the Governor in 2003 and 2008, Janice has held all of the leadership positions on the Board and has served on all of the committees of the Board in her ten year tenure. She served two terms as the chairman.

During her last term as chair, she led the Board through the process of replacing its long term executive director.

She has been very active in the legislative and rules process during her service on the board. Janice was very involved in the process of writing rules on Peer Review requirements, legislation on mobility, and changes in CPE rules.

#### Oklahoma Society of CPAs

Janice served on the Board of Directors of the Oklahoma Society of Certified Public Accountant's (OSCPA). She served as a member of the Peer Review Committee for eleven years and served as chair of one of the three report acceptance committees for five years; chair of the Technology Committee for two years; a member of the Nominating Committee, the OSCP Strategic Planning Committee, and the Accounting and Auditing committee.

Janice also served a term on the OSCP PAC.

Lectures on issues related to Peer Review.

#### American Institute of CPAs

Janice is currently serving on two task forces with the AICPA Peer Review Board – the Communications Task force and the Quality Control Materials Task Force.

She previously served on the AICPA Board of Examiners State Board Committee, two three-year terms on the AICPA Peer Review Board (one term as the regulator representative) and on the AICPA Private Companies Practice Section Technical Issues Committee which provides direct input to the Financial Accounting Standards Board and Governmental Accounting Standards Board on behalf of local and regional accounting practices.

#### Community Service

Several local non-profit organizations have benefited from her experience both as a member and officer. She serves on the local Chamber of Commerce Economic Development Sooner Centurions Committee. Janice has also served as a member of the budget and finance committee for her church.

### Awards

Ms. Gray was the 2000 and 2006 Distinguished CPA for the Norman Chapter of the OSCP.

In 2003 the Oklahoma Society of CPAs inducted Janice into the Oklahoma Accounting Hall of Fame.

In 2010 she was nominated for the Athena Award in Norman Oklahoma.

### Personal

Married since 1978 to Rodney Gray (who is also a CPA and in the OSCP Oklahoma Accounting Hall of Fame as of 2011), they have three children, eight grandchildren and two very special great grandchildren.



Montana Department of  
**LABOR & INDUSTRY**

Steve Bullock, Governor  
Pam Bucy, Commissioner

**Business Standards Division**  
Adam deYong, Acting Division Administrator

January 16, 2014

Gaylen Hansen, CPA, Chair  
Nominating Committee  
National Association of State Boards of Accountancy  
150 4<sup>th</sup> Ave N, Suite 700  
Nashville TN 37219-2417

Dear Mr. Hansen,

The members of the Montana Public of Public Accountants voted to authorize me to recommend Janice Gray, CPA, for Vice Chair of NASBA for the 2014-15 year.

Members of our Board have had the fortune of interacting with Ms. Gray on various NASBA projects over the years, and have always found her to be very open to all ideas and opinions; firm in his convictions, yet fair in judgment; all attributes needed by NASBA in its leadership positions.

We are confident in Ms. Gray's vast knowledge of the profession's pressing issues, and her ability to lead the diverse membership of the various state boards in dealing with those issues. Ms. Gray has also been a NASBA Regional Director and has served on the NASBA board of Directors.

The members of the Montana Board of Public Accountants are pleased to support Janice Gray, CPA, for Vice Chair of NASBA

Sincerely,

Linda Harris, CPA, Chair  
Montana Board of Public Accountants

Cc: State Boards of Accountancy  
Janice Gray, CPA



**Oregon**  
John A. Kitzhaber, MD, Governor

**Board of Accountancy**  
3218 Pringle Road SE, Suite 110  
Salem, OR 97302-6307  
503-378-4181  
FAX: 503-378-3575  
[boa.info@state.or.us](mailto:boa.info@state.or.us)  
<http://oregon.gov/boa>

February 27, 2014

Via e-mail transmission to: [aholt@nasba.org](mailto:aholt@nasba.org)

Gaylen R. Hansen, CPA  
Chair, NASBA Nominating Committee  
National Association of State Boards of Accountancy  
150 Fourth Avenue North, Suite 1300  
Nashville, TN 37219-2417

Re: Oregon Board of Accountancy Support for the Nomination of  
Janice Gray, CPA for 2014-2015 Vice-Chair NASBA

Dear Mr. Hansen and Members of the Nominating Committee:

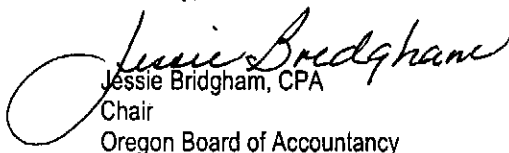
At the February meeting of the Oregon Board of Accountancy, the members of the Board have authorized me to recommend Janice Gray, CPA, for Vice-Chair of NASBA for the 2014-15 year.

I have interacted with Janice at several NASBA meetings. I found her to be very personal and professional on these various occasions. She is an excellent listener, open to new ideas and opinions while able to articulate her own opinion in a positive style. These are attributes needed in any leadership position.

Based on Janice's bio listing, the Board is confident in Ms. Gray's knowledge and experience in dealing with the profession's pressing issues. She has been actively involved in these issues for the last several years.

The members of the Oregon Board of Accountancy are pleased to support Janice Gray, CPA, for 2014-2015 Vice-Chair of NASBA.

Sincerely,

  
Jessie Bridgham, CPA  
Chair  
Oregon Board of Accountancy

**ACCOUNTANCY BOARD OF OHIO**

77 SOUTH HIGH STREET, 18TH FLOOR

COLUMBUS, OHIO 43215-6128

PHONE: 614.466.4135 FAX: 614.466.2628

WWW.ACC.OHIO.GOV

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JOHN E. PATTERSON, EXECUTIVE DIRECTOR

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January 6, 2014

Mr. Gaylen R. Hansen, CPA,  
Chair, Nominating Committee  
National Association of State Boards of Accountancy  
150 Fourth Avenue North, Suite 700  
Nashville, TN 37219-2417

Dear Mr. Hansen:

The Accountancy Board of Ohio unanimously supports the nomination of Theodore W. Long Jr, (Ted) for the Board of Directors position of Vice-Chair of the National Association of State Boards of Accountancy for 2014-2015.

**National Association of State Boards of Accountancy (NASBA) Experience**

He is a former Director at Large (2008-2013) and Great Lakes Regional Director (2004-2007) on the NASBA Board of Directors. In addition, he has served as Chair of various committees including the Global Strategies, Administration and Finance, CPE Advisory for three terms, Relations with Member Boards for two terms, Bylaws and served as Treasurer. He has also, served as a member of various taskforces and committees including the Strategic Planning, CEO Selection Advisory, Executive, Audit, CBT Examination Communication, CPA Mobility and International Delivery of the CPA Exam.

**Accountancy Board of Ohio (Board) Experience**

He is a former Board member and served for eleven years in two terms (1988-1992 and 2000-2006) and Chair of the Board three terms (1990-1992 and 2004-2005). In addition, he has chaired and served as a member of various Board committees.

**Professional and Civic Experience**

He is a retired partner of Ernst & Young LLP, with over thirty years of experience, primarily in the area of attest and advisory services. He has served on the Ohio CPA Society's Board of Directors. In addition, he has served as a member of various nonprofit boards of directors.

In conclusion, The Accountancy Board of Ohio believes that his executive leadership and extensive board and regulatory experience eminently qualify him for the Board of Directors position of Vice Chair of the National Association of State Boards of Accountancy for 2014-2015.

We appreciate your consideration.

Very Truly Yours,

John E. Patterson, Executive Director  
Accountancy Board of Ohio

Attachment:

Cc: NASBA Member Boards of Accountancy

**Theodore (Ted) W. Long, Jr.**  
**Summarized Resume Highlights**

Ted Long has the executive leadership and extensive board and regulatory experience that qualifies him to be the next Vice Chair of the National Association of State Boards of Accountancy

**National Association of State Boards of Accountancy (NASBA) Experience:**

- Former Director at Large (2008-2013) and Great Lakes Regional Director (2004-2007) on the NASBA Board of Directors
- Served as Chair of the Global Strategies Committee that outlined a plan to establish relationships with international regulatory bodies
- Has Chaired the Administration and Finance Committee and served as Treasurer. During his term the investment policy was shifted from a tactical to a strategic focus, which increased the Investment Committees efficiency by instituting an investment advisor discretionary account and revising of the board's financial statement presentations.
- Served as Chair of the CPE Advisory Committee for three terms and initiated and organized a taskforce to analyze and implemented changes to the CPE Provider Standards
- Has Chaired the Relations with Member Boards Committee for two terms and developed an executive summary for focus questions and structured a visitation program to member boards
- Served as Chair of the Bylaws Committee and instituted revisions to the organization's rules and regulations

He has served as a member of various taskforces and committees including: the Strategic Planning, CEO Selection Advisory, Executive, Audit, CBT Examination Communication, CPA Mobility and International Delivery of the CPA Exam.

**Accountancy Board of Ohio (Board) Experience:**

- Former Board member and served for eleven years in two terms (1988-1992 and 2000-2006)
- Chaired the Board for three terms (1990-1992 and 2004-2005), and
- Chaired and served on the Board's Disciplinary Advisory, Peer Review, Licensing, Nominating, Education Assistance and Office Oversight Committees

**Professional, Civic and Educational Experience:**

- Retired Partner of Ernst & Young LLP with over 30 Years of experience in public accounting and served in the area of attest and advisory services
- Member of the Board of Directors of North Carolina Mutual Life Insurance Company and Chairs the Audit Committee and serves on the Executive, Operations and Finance Committees
- Serves on the Advisory Board of Directors of ASW Global, a supply chain management company
- Served on the Ohio CPA Society's Board of Directors
- Has served on the Board of Directors of various community, civic and professional organizations
- Provides consulting services to various companies in the areas of strategic and financial planning

He has a Bachelor and Master Degree in Business Administration from Wichita State University with an emphasis in finance.





# Texas State Board of Public Accountancy

333 Guadalupe, Tower III Suite 900, Austin, Texas 78701-3900

William Treacy, Executive Director

January 31, 2014

Gaylen Hansen, CPA, Chair  
NASBA Nominating Committee  
150 Fourth Ave., Suite 700  
Nashville, TN 37210-2417

RE: Nomination of A. Carlos Barrera, CPA,  
As Director-at-Large

Dear Mr. Hansen:

The Texas Board proudly nominates our former presiding officer, A. Carlos Barrera, CPA, CFE, as Director-at-Large of NASBA. Mr. Barrera served six years on the Texas Board, 2007-13, during which he chaired the Technical Standards Review and Rules committees and was a member of the Behavioral Enforcement Committee. He also served two years as Board treasurer and, during 2011-13, as presiding officer.

A CPA since 1979, Mr. Barrera is a partner in the Brownsville office of Long Chilton, LLP. He holds a BBA degree from the University of Texas at Austin and an MBA from the University of Texas at San Antonio. He served NASBA as Southwest Regional Director for 2013-2014 and currently chairs NASBA's Global Strategies Committee and is a member of the Relations with Member Boards Committee. His professional affiliations include NASBA, AICPA, the Association of Certified Fraud Examiners, and the Texas Society of CPAs, on whose Technical Standards Review Committee he has served as an advisory member.

Over the years, Carlos Barrera has contributed his time and energy to the boards of several nonprofits, including the Brownsville Chamber of Commerce, Rotary Club, United Way, Historic Brownsville Museum Association, Valley Zoological Society, and three area school districts. He also served on the Texas Lottery Commission's Start-up Committee.

Carlos Barrera has brought proven leadership qualities to every endeavor, both private and professional. We strongly support his nomination as NASBA Director-at-Large.

Sincerely,

TEXAS STATE BOARD  
OF PUBLIC ACCOUNTANCY

William Treacy, Executive Director

cc: A. Carlos Barrera, CPA

Administration/  
Accounting  
(512) 305-7800

Automated  
Information  
(512) 305-7870

CPE  
(512) 305-7844

Enforcement  
(512) 305-7866

Licensing  
(512) 305-7853

Qualifications  
(512) 305-7850  
(512) 305-7851

Peer  
Review  
(512) 305-7853

FAX  
(512) 305-7875  
(512) 305-7854

[www.tsbpa.state.tx.us](http://www.tsbpa.state.tx.us)  
An equal opportunity, affirmative action employer

**A. Carlos Barrera CPA, CFE**

3125 Central Blvd.  
Brownsville, Texas 78520

---

Date of Birth: March 23, 1953

Education: Bachelors of Business Administration – U.T. Austin, 1975  
Masters of Business Administration – U.T. San Antonio, 1976

Employment History:

Long, Chilton, Payte, & Hardin	1977 – 1978
Garza and Barrera	1978 – 1980
Long Chilton LLP	1980 – Present

Employment Experience:

Managing Partner	1995 – 2001
Partner in Charge –Brownsville	1988 – 2001
Areas of Practice:	Audit Partner - governmental & non-profit organizations, corporate & individual taxation, fraud investigations.

Professional Affiliations (past and present):

NASBA (National Association of State Boards of Accountancy)

Regional Director – 2013 to Present  
Global Strategies' Committee Chairman (Current)  
Board Effectiveness and Legislative Support Committee (2010 to 2013)

Texas State Board of Public Accountancy (2007 to 2013)

Presiding Officer – 2012 to 2013  
Chairman – Executive Committee 2012 to 2013  
Board Treasurer – 2010 to 2012  
Chairman Rules Committee -2008 to 2010  
Chairman – Technical Standards and Review Committee 2007-2009  
Member – Behavioral Enforcement Committee

Other Professional Affiliations

Texas State Society of Certified Public Accountants  
American Institute of Certified Public Accountants  
Rio Grande Valley Chapter of Certified Public Accountants  
Government Finance Officers Association  
Association of Certified Fraud Examiners

Civic Activities:

Board Member and Past President – Valley Zoological Society (Gladys Porter Zoo)  
Board Member – Valley Zoological Endowment  
Member and Past President – Brownsville Economic Development Corporation  
Member and Past Vice-President – Brownsville Chamber of Commerce

Past President – Brownsville Rotary Club  
Past President – United way of Southern Cameron County  
Past Board Member – Historic Brownsville Museum Association  
Past Board Member – Brownsville Independent School District  
Past Board Member – South Texas Independent School District  
Past President – Mother of Perpetual Help Nursing Home  
Past President – St Mary's School Board  
Served on the Texas Lottery Commission Start-up Committee  
Served on the Texas Rural Economic Development Commission (1991)



STATE OF OKLAHOMA  
OKLAHOMA ACCOUNTANCY BOARD

February 10, 2014

Mr. Gaylen R. Hansen, CPA  
Chair, NASBA Nominating Committee  
150 Fourth Avenue North, Suite 700  
Nashville, TN 37219-2417

RE: Oklahoma Accountancy Board Nomination of A. Carlos Barrera, as NASBA Director-at-Large, 2014-2015

Dear Mr. Hansen and Members of the Nominating Committee:

At its meeting on February 7, 2014, the Oklahoma Accountancy Board voted unanimously to support Mr. A. Carlos Berrera, CPA, for the position of NASBA Director-at-Large, 2014-2015.

Mr. Barrera was appointed to the Texas State Board of Public Accountancy in 2007. He has chaired numerous Board committees during his tenure and served as Board Treasurer for two years.

Barrera, a CPA since 1979, is a partner at the Brownsville office in the CPA firm of Long Chilton, LLP. His professional memberships include the AICPA, the Association of Certified Fraud Examiners, the Governmental Finance Officers Association, and the local and state bodies of the Texas Society of CPAs, on whose Technical Standards Review Committee he served as an advisory member. He is also a member of NASBA's Board Effectiveness and Legislative Support Committee

Members of the Oklahoma Accountancy Board believe that Mr. Barrera possesses the leadership skills, experience and dedication that qualify him to serve NASBA and the profession as a Director-at-Large for 2014-2015.

Sincerely,  
Oklahoma Accountancy Board

Randall A. Ross, CPA, Executive Director

cc: Mr. Ken L. Bishop, NASBA President & Chief Executive Officer  
Members, Oklahoma Accountancy Board  
Southwest Regional State Boards of Accountancy



**Susana Martinez**  
**GOVERNOR**

**Robert "Mike" Unthank**  
**SUPERINTENDENT**

**James C. McKay**  
**GENERAL COUNSEL**

**Vadra Baca**  
**DEPUTY DIRECTOR**

**New Mexico Regulation and Licensing Department**  
**BOARDS AND COMMISSIONS DIVISION**  
**Public Accountancy Board**

5200 Oakland Avenue, NE, Suite D • Albuquerque, New Mexico 87113  
(505) 222-9850 • Fax (505) 222-9855 • [www.rld.state.nm.us](http://www.rld.state.nm.us)

February 20, 2014

Gaylen Hansen, CPA, Chair of NASBA's Nominating Committee  
NASBA  
150 Fourth Avenue North, Suite 700  
Nashville, TN 37219

RE: Nomination of Mr. Carlos Barrera, CPA, CFE, for NASBA's Director-At-Large for 2014-2017

Dear Mr. Hansen and Members of the Nominating Committee:

The New Mexico Public Accountancy Board is pleased to support the nomination of Carlos Barrera, CPA, CFE, as Director-At-Large of the NASBA Board of Directors for 2014-2017.

The New Mexico Board believes that Mr. Barrera has exhibited outstanding leadership skills through his service on the Texas State Board since 2007; serving in the capacity of Southwest Regional Director for 2013-2014; as well as his service on numerous other committees during the past 35 years of being a CPA. The New Mexico Board believes that Mr. Barrera possesses outstanding leadership and technical skills that eminently qualify him to serve as NASBA Director-At-Large.

Sincerely, on behalf of the Board,

Jennifer N. Baca, CFE  
Executive Director

cc: Mr. Carlos Barrera, CPA, CFE  
Mr. Ken Bishop, NASBA President and CEO  
Mr. Gaylen Hansen, CPA, Chair, NASBA Board of Directors  
New Mexico Public Accountancy Board Members  
State Boards of Accountancy

Alcohol and Gaming Division  
(505) 476-4875

Boards and Commissions Division  
(505) 476-4600

Construction Industries Division  
(505) 476-4700

Financial Institutions Division  
(505) 476-4885

Manufactured Housing Division  
(505) 476-4770

Securities Division  
(505) 476-4580

Administrative Services Division  
(505) 476-4800

ARKANSAS STATE BOARD OF PUBLIC ACCOUNTANCY

Dr. Mike Moore, CPA, President  
Karen Garrett, CPA, Secretary  
Wade Turner, CPA, Treasurer  
Jeremy Watson, CPA



Robert Redfern, CPA  
Lloyd Franklin, CFE  
W. R. "Bill" Millager, MBA

Jimmy Corley, CPA  
Executive Director

February 25, 2014

Gaylen Hansen, CPA  
NASBA Nominating Committee Chair  
150 Fourth Avenue North, Suite 700  
Nashville, TN 37219

Mr. Hansen,

The Arkansas State Board of Public Accountancy voted at its February 21, 2014 Board meeting to support the nomination of Carlos Barrera, CPA, CFE, for a Director-at-Large position on the NASBA Board of Directors.

Our board has been impressed with Mr. Barrera when interacting with him at various NASBA and Southwest Region meetings. He has been a CPA for over 30 years and has served the profession well through his time on the Texas State Board of Accountancy, various NASBA committees, and his position of Southwest Regional Director for 2013-14.

We believe Carlos would be an excellent NASBA Board Member and support his efforts to attain this position.

Best Regards,

A handwritten signature in black ink, appearing to read "Mike Moore".

Dr. Mike Moore, CPA

# Mississippi State Board of Public Accountancy

RICK ELAM., CPA - Oxford  
*Chair*

JIM E. BURKES, CPA - Jackson  
*Vice Chair*

DAVID E. CLARKE, CPA - Greenville  
*Secretary*

(601) 354-7320  
Fax 354-7290



5 Old River Place, Suite 104  
Jackson, Mississippi 39202-3449

RANSOM C. JONES, JR., CPA  
*Executive Director*

DAVID L. MILLER, CPA - Tupelo

ANGELA L. PANNELL, CPA - Starkville

MARK P. PEACH, CPA - Jackson

WILLIE B. SIMS, JR., CPA - Hattiesburg

[www.msbpa.ms.gov](http://www.msbpa.ms.gov)  
[email@msbpa.ms.gov](mailto:email@msbpa.ms.gov)

February 26, 2014

Mr. Galen R. Hansen, CPA, Chair  
Nominating Committee  
National Association of State Boards of Accountancy  
150 Fourth Avenue North, Suite 700  
Nashville, TN 37219

Dear Galen:

The Mississippi State Board of Public Accountancy unanimously recommends Mr. Jimmy E. Burkes for NASBA Director-at-Large.

Jim currently represents NASBA's Southeastern Region as the Regional Director and has been extremely active in both regional and national activities of NASBA. The Mississippi Board believes his service as a member of the Compliance Assurance, Regulatory Response, Relations with Member Boards and Chair of the Bylaws committee for three terms provides Jim with the optimum background and knowledge to continue his service. He has also served as a member of various taskforces including the CEO Selection Advisory and State Board Peer Review Oversight.

Jim began his term as a member of the Mississippi Board in January 2003 and is in his twelfth year as a Board member. He has served the Board, the citizens of this state, and the public accounting profession with dedication, professionalism, and distinction. Jim served as the Board Chair and Trial Board President in 2007 and has provided many untiring hours to the detailed services of the Board's committees. Before his appointment to the Board by Mississippi's Governor, Jim also dedicated many hours as the Liaison to the Board for the Mississippi Society of CPAs.

The Mississippi Board appreciates the opportunity to recommend Mr. Burkes' continued service as a Director-at-Large and is confident he will continue to provide the leadership to advance the mission of NASBA and the regulation of public accountancy. Please find Jim's biographical information enclosed.

If you need any additional information, please do not hesitate to call.

On Behalf of the Board,

A handwritten signature in black ink that reads "Rick Elam".

Rick Elam  
Board Chair

Enclosure



# STATE OF IOWA

GOVERNOR TERRY E. BRANSTAD  
LT. GOVERNOR KIM REYNOLDS

IOWA DEPARTMENT OF COMMERCE  
PROFESSIONAL LICENSING & REGULATION

December 9, 2013

Mr. Gaylen Hansen, CPA  
Chair, NASBA Nominating Committee  
NASBA  
150 Fourth Avenue North, Suite 700  
Nashville, TN 37219-2417

Re: Marianne Mickelson, Ed.D, Nomination to 2014 NASBA Board of Directors

Dear Mr. Hansen and the Nominating Committee Members:

At the December 9, 2013, the Iowa Accountancy Examining Board voted to recommend Marianne Mickelson, Ed.D., as a nominee for NASBA's Director-at-Large position.

Ms. Mickelson has served on state, regional and federal boards and commissions for the past 25 years. She served on our Iowa Board as a public board member for nine years. While on the Iowa Board, she served on the education, communication, rules and disciplinary committees.

She worked in state government for thirty years. Drafting legislation and writing agency administrative rules was her area of expertise. Her board experiences gave her more opportunities to use her problem-solving and decision making skills in a regulatory process. She also brought integrity and inspiration in every capacity.

Ms. Mickelson's commitment to the boards of accountancy and the profession is amply demonstrated by her experience and participation in NASBA's mission and committees during the past 12 years.

The Iowa Accountancy Examining Board takes an active role in NASBA, as demonstrated by the participation of our current and prior Board Members and Executive Director on NASBA committees as well as our attendance at NASBA meetings. We desire to continue our call to service with the endorsement of Ms. Mickelson.

The Iowa Accountancy Examining Board respectfully requests that this Board's support be given positive consideration by the Nominating Committee Members.

If you have any questions, please let us know.

Sincerely,

A handwritten signature in cursive script that reads "Toni A. Bright".

Toni Bright, Executive Officer  
Iowa Accountancy Examining Board  
Email: [toni.bright@iowa.gov](mailto:toni.bright@iowa.gov)



## Marianne Mickelson—Bio

Marianne V. Mickelson, Ed.D. lives in West Des Moines, IA. She has served on ten professional boards and committees at the state and national levels, including the National Association of State Boards of Accountancy, National Transportation Research-Intergovernmental Relations in Aviation, the American Association of Motor Vehicle Administrators- Public Affairs and Consumer Education where she held leadership as Regional Chair for 12 states. For the past 33 years, Dr. Mickelson has volunteered thousands of hours dedicated to serving several area non-profit organizations, her church, and the community. In 2010, she retired from state government, where she served as an executive officer managing special projects and legislative and administrative rules. Dr. Mickelson earned her doctorate degree in education and public administration from Drake University in Des Moines, Iowa and B.S. and M.S. degrees from Southern Illinois University in Carbondale, Illinois.



Montana Department of  
**LABOR & INDUSTRY**

Steve Bullock, Governor  
Pam Bucy, Commissioner

**Business Standards Division**  
Adam deYong, Acting Division Administrator

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**Board of Public Accountants**

February 28, 2014

Gaylen Hansen, CPA  
NASBA Nominating Committee  
150 Fourth Avenue North, Suite 700  
Nashville TN 37219

Dear Mr. Hansen:

It is with great pleasure that the Montana Board of Public Accountants voted to nominate Richard Reisig, CPA, for a position of Director-at-Large on the NASBA Board of Directors.

Mr. Reisig was a member of the Montana Board of Public Accountants from 2004 until 2013. He served as Chair of the Board for two separate terms and served as a vital part of the Board and their mission of public protection.

In addition to his Board service, Mr. Reisig has been extremely active in the AICPA and the Montana Society of CPAs. He has served in many capacities for both organizations. Rick is the 2014 recipient of the George D. Anderson Distinguished Service Award, MSCPA's highest honor.

Rick has been an active member of NASBA during his tenure with the Montana Board of Public Accountants and has served on a variety of committees and in a number of capacities. In his current position as Mountain States Regional Director of NASBA, he has routinely reached out to the states in his region, involving stakeholders and offering a venue for discussion on issues of importance to the region and NASBA. We appreciate Rick's willingness to communicate with the region and seek input.

In addition to his professional affiliations, Rick is an active, involved member of his community. He has selflessly served the accounting education community, always with an eye on enhancing the future of the accounting profession. He has voluntarily served a number of civic organizations, offering his time and talent where needed.

We appreciate your consideration of Rick Reisig, CPA, as a candidate for NASBA Director-at-Large. He is an extremely competent, consensus, and dedicated individual who represents the best of the accounting profession.

Sincerely,

Linda Harris, Chair

Enclosures

Cc: Pat Thorne, CPA  
NASBA Jurisdictions  
Richard Reisig, CPA

**RICHARD N. REISIG**

21 10<sup>th</sup> Street South  
Great Falls, Montana

**EDUCATION**

Montana State University, Bozeman, Montana  
Bachelor of Science (B.S.) in Business, Accounting Option, June,  
1982

**CERTIFICATIONS**

Certified Public Accountant, Montana, May 16, 1983,  
Certificate # 1901

**PROFESSIONAL  
EXPERIENCE**

Anderson ZurMuehlen & Company, P.C. (July 1, 2011 – Present)  
*Shareholder, Technical Director/Attest Services - Firm*  
*(October 1, 2012 – Present)*  
*Shareholder, Attest Services Coordinator – Great Falls*  
*office (July 1, 2011 – September 30, 2012)*

Hamilton Misfeldt & Company, P.C. (July 6, 1982 – June 30,  
2011)  
*Shareholder, Director of Audit*

Hamilton Misfeldt & Company, P.C. (40 employees – 7 partners)  
merged with Anderson ZurMuehlen & Company, P.C. (235  
employees – 42 partners) on July 1, 2011

**PROFESSIONAL  
AFFILIATIONS**

American Institute of Certified Public Accountants  
Montana Society of Certified Public Accountants  
Great Falls Chapter of Certified Public Accountants

**PROFESSIONAL  
INVOLVEMENT**

Montana Board of Public Accountants (July 1, 2004 – October 31,  
2013)

*Chairman (July 1, 2008 – June 30, 2009, July 1, 2010 –  
June 30, 2011)*

*Appointed by Governor Judy Martz (R) (July 1, 2004)*

*Reappointed by Governor Brian Schweitzer (D) (April 1,  
2009)*

National Association of State Boards of Accountancy (NASBA)  
*Board of Directors – Mountain Region Director (October*  
*29, 2013 – present)*

**PROFESSIONAL  
INVOLVEMENT**  
(Continued)

NASBA CBT Examination Administration Committee  
*Present Member, **Chairman***

NASBA Committee on Relations with Member Boards  
*Present Member*

NASBA Compliance Assurance Committee  
*Past Member*

NASBA CPA Licensing and Examinations Committee  
*Past Member*

American Institute of Certified Public Accountants  
*Member of Auditing Standards Board (January 1, 2014 – Present)*

*Member of BOE Practice Analysis Sponsor Advisory Group (January 1, 2014 – Present)*

*Member of Board of Examiners (January 1, 2011 – December 31, 2013)*

*Member of Council (July 1, 2001 – June 30, 2002)*

*Member of Member Advisory Panel (formerly Virtual Grassroots Panel) (July 1, 2005 – October 31, 2013)*

Montana Society of Certified Public Accountants  
*Board of Directors*  
***Chairman** (July 1, 2001 – June 30, 2002)*  
*Board member (1996-2002)*

*Governmental Audit Quality Control Committee*  
***Chairman** (July 1, 1991 – June 30, 1992)*  
*Outstanding Committee Chairman award – June 19, 1992*  
*Committee Member (July 1, 1985 – June 30, 1997)*

Great Falls Chapter of Certified Public Accountants  
*Board of Directors*  
***Chairman** (July 1, 1986 – June 30, 1987)*  
*Board member (1984-1987)*

**SPEAKING  
ACTIVITIES**

Montana Association of Counties  
*Fraud/internal control trainer (January 1, 2009 – Present)*

**SPEAKING  
ACTIVITIES**  
(Continued)

Montana Municipal Institute  
*Municipal finance/fraud instructor (May 2010 – Present)*

NASBA Compliance Assurance Committee  
*Peer review summit presenter (August 16, 2011 and July 10, 2013)*

Other periodic professional speaking/training engagements, as they arise

**CIVIC  
INVOLVEMENT**

Special Olympics of Montana  
*Board of Directors (August 15, 2013 – present)*

Montana State University Alumni Association  
*Board of Directors*  
*Treasurer (July 1, 2005 – June 30, 2011)*

Montana State University Foundation  
*Board of Directors*  
*Non-voting Ex-officio (July 1, 2007 – June 30, 2011)*

Montana State University Accounting Advisory Council  
*Board of Directors (October 1, 2004 – June 30, 2012)*

Montana State University College of Business Advisory Council  
*Board of Directors (July 1, 1995 – June 30, 2000)*

United Way of Cascade County  
*Board of Directors*  
**Chairman** (February 1, 2000 – January 31, 2001)  
*Board member (February 1, 1995 – January 31, 2001)*

Optimist Club of Great Falls  
*Board of Directors*  
**Chairman** (October 1, 1991 – September 30, 1992)  
*Board member (October 1, 1988 – September 30, 1992)*  
*Club member (April 22, 1987 – Present)*  
*Awarded Life Membership (September 30, 1996)*

**CIVIC  
INVOLVEMENT**  
(Continued)

Great Falls Area Chamber of Commerce  
*Military Affairs Committee (July 1, 2001 – June 30, 2009)*

Leadership Great Falls  
*Chairman (July 1, 1994 – June 30, 1995)*  
*Participant (July 1, 1993 – June 30, 1994)*

Great Falls Westside Little League  
*Board of Directors – Treasurer (October 1, 1999 –  
September 30, 2008)*  
*Coach (March 1, 1998 – August 31, 2008)*

**PERSONAL**

Wife – Carrie  
Children – Dawson (21), Skyler (19)



**Oregon**  
John A. Kitzhaber, MD, Governor

**Board of Accountancy**  
3218 Pringle Road SE, Suite 110  
Salem, OR 97302-6307  
503-378-4181  
FAX: 503-378-3575  
[boa.info@state.or.us](mailto:boa.info@state.or.us)  
<http://oregon.gov/boa>

February 27, 2014

Via e-mail transmission to: [aholt@nasba.org](mailto:aholt@nasba.org)

Gaylen R. Hansen, CPA  
Chair, NASBA Nominating Committee  
National Association of State Boards of Accountancy  
150 Fourth Avenue North, Suite 1300  
Nashville, TN 37219-2417:


Re: Oregon Board of Accountancy Support for the Nomination of  
Laurie J. Tish, CPA as 2014-2015 NASBA Director-at-Large

Dear Mr. Hansen and Members of the Nominating Committee:

I have polled the members of the Oregon Board of Accountancy and am very pleased to advise you that the Oregon Board unanimously supports the candidacy of Laurie J. Tish, CPA, for a 2014-2015 NASBA Director-at-Large position.

Ms. Tish has a long record of distinguished service, including as current Chair of NASBA's ALD Committee, and previous service as NASBA Pacific Regional Director and Past Chair of the joint NASBA / AICPA UAA Committee. The Oregon Board believes that Ms. Tish's record of public service and her demonstrated leadership qualities make her an excellent choice for NASBA Director-at-Large, 2014-2015.

Sincerely,

  
Jessie Bridgman, CPA  
Chair  
Oregon Board of Accountancy



Laurie J. Tish, CPA  
Moss Adams LLP  
Business Assurance Partner  
National Practice Leader, Government Services

**Professional experience:** Laurie has specialized in serving governmental and municipal enterprises since she began her career in public accounting over 30 years ago. In 2005, Laurie joined Moss Adams LLP after 23 years with Deloitte & Touche LLP. She has deep expertise in governmental GAAP, municipal finance, regulatory accounting and reporting, and federal compliance audits. She also has experience and expertise in verification of corporate social responsibility reports. Laurie is a nationally recognized speaker on topics including government accounting and auditing standards, federal compliance, corporate governance, and social responsibility. She has provided audit and consulting services to governmental entities in the Pacific Northwest region including ports, transit agencies, state agencies, public employee retirement systems and electric, water, sewer and solid waste utilities.

**Professional activities:** Laurie is active in national regulatory activities; she served four terms on the Washington State Board of Accountancy, from 1997–2003 and 2005-2011. She previously served as the Pacific Regional Director, and currently serves as a Director-at-Large, on the Board of Directors of NASBA (National Association of State Boards of Accountancy). She currently chairs the Accountancy Licensing Database Committee. Past roles on NASBA committees and task forces include:

- Past Chair, Global Strategies Committee
- Past Chair, Joint NASBA/AICPA Uniform Accountancy Act Committee
- Standards Study Group
- Mobility Task Force
- Nominating Committee
- Strategic Initiatives Committee
- Referral Agency Task Force

She is past Chair (and current member) of the Governmental Accounting and Auditing Committee for the WSCPA. She also serves as a special reviewer for the Government Finance Officers Association and is a member of the Governmental Accounting Standards Board (GASB) Recognition and Measurements Task Force.

**Civic activities:** Civic activities includes past service on the Boards of Directors for Seattle Mental Health and CampFire Boys & Girls, and an advisory task force for the Children's Home Society Foundation. Laurie has also served on several advisory



committees for the City of Bellevue including the Technical Advisory Committee for City Hall and the Bel-Red Corridor Project Steering Committee. She currently serves on the Board of Directors for the Meydenbauer Convention Center. She is a graduate of Seattle's Leadership Tomorrow program, class of 1993.

**Education and certification:** Laurie graduated from the University of Washington with a B.A. in Business Administration, concentration in Accounting, and holds a license to practice public accounting in the State of Washington and the Territory of American Samoa.

**Awards:** Lifetime Achievement Award by the Washington Society of CPA's 2006

**Personal:** Laurie is married with two active teenagers at home.

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Topeka, KS 66612-1239  
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fax: 785-291-3501  
[info@ksboa.ks.gov](mailto:info@ksboa.ks.gov)

Susan L. Somers, Executive Director

Board of Accountancy

Sam Brownback, Governor

February 24, 2014

Carlos E. Johnson, CPA, Ed. D.  
NASBA Board of Directors Chair  
150 Fourth Avenue, North, Ste. 700  
Nashville, TN 37219-2417

Re: Nomination of Rodney Van Norden, CPA, as Central Regional Director

Dear Mr. Johnson:

The Kansas Board of Accountancy is pleased to endorse Rodney Van Norden, CPA, as Central Regional Director. Mr. Van Norden is an owner of Lewis, Hooper & Dick, LLC located in Garden City, Kansas and has been in practice as a CPA for 35 years.

Mr. Van Norden has been a member of the Kansas Board of Accountancy since 2005 and has twice served as Chair of the Board. He has also served in many capacities in his local community, and also statewide, through his involvement with the Kansas Livestock Association.

Mr. Van Norden is an enthusiastic, dedicated Board Member, recognizing the all-important role of protecting the public, while also understanding and recognizing the need to promote the CPA profession in a positive and meaningful manner.

We believe that Mr. Van Norden is an excellent candidate for Central Regional Director and respectfully endorse his candidacy.

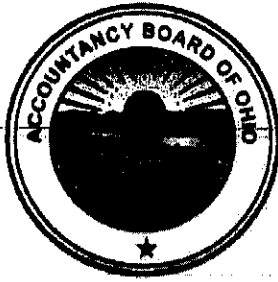
Sincerely,

Kathryn J. Mitchell, CPA, Chair  
Kansas Board of Accountancy

KJM:sis  
Enclosure

**Rodney Van Norden, CPA**  
**Member-Owner**  
**Lewis Hooper & Dick, LLC**

- Education**    **Wichita State University**  
Bachelor of Science-Business Administration, Accounting Emphasis
- Experience**    **Auditing and Accounting.** Thirty-Nine years of experience in public accounting firms. Currently firm Vice-Managing Member - Owner of Lewis, Hooper & Dick, LLC  
**Feedyard Committee.** Past chairman of the firm's committee, responsible for developing and maintaining service to clients
- Affiliations**    **American Institute of Certified Public Accountants**  
Member, 1979-Present  
**Kansas Society of Certified Public Accountants**  
Member, 1976-Present  
**Nebraska Society of Certified Public Accountants**  
Member, 2000-Present
- Community Involvement**  
**Kansas Board of Accountancy**  
Board Member, 2005 - Present (Reappointed 7/31/13 - Term expires 7/13/16)  
Appointed, July 31, 2007  
Chairman, July 1, 2008-July 31, 2009 and  
August 19, 2011-August 17, 2012  
**NASBA CBT Administration Committee**  
Appointed Member, December, 2013  
**Kansas Livestock Association**  
Chair of the Tax Committee, 2012 - Present  
**Garden City Family YMCA**  
Past Member; Executive Committee  
Past Treasurer  
Past Capital Campaign Board Member  
**Leadership Garden City**  
Graduate and Past Member of Board of Directors  
**Salvation Army**  
Past Board Member  
**Garden City Area Chamber of Commerce**  
Past Member; Director



**ACCOUNTANCY BOARD OF OHIO**

77 SOUTH HIGH STREET, 18TH FLOOR

COLUMBUS, OHIO 43215-6128

PHONE: 614.466.4135 FAX: 614.466.2628

WWW.ACC.OHIO.GOV

JOHN E. PATTERSON, EXECUTIVE DIRECTOR

February 25, 2014

Gaylen R. Hansen, CPA  
NASBA Nomination Committee Chair  
150 Fourth Avenue, North, Suite 700  
Nashville, TN 37219-2417

RE: Nomination of W. Michael Fritz, CPA as Great Lakes Regional Director

Dear Mr. Hansen:

The Accountancy Board of Ohio, on February 21, 2014, unanimously chose to endorse the candidacy of W. Michael Fritz, CPA, as Great Lakes Regional Director. Mike is an Assurance Partner with Deloitte and Touche with more than 33 years' experience.

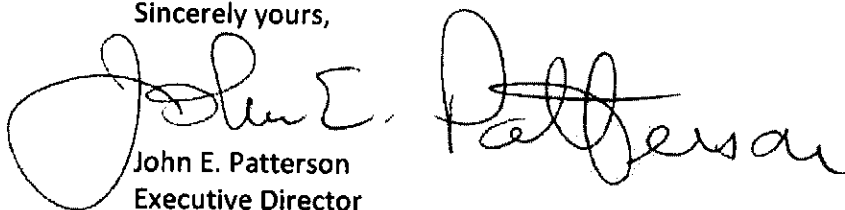
Mike has served on NASBA's Global Strategies Committee and the Ethics and Strategic Professional Initiatives Committees for the past three years. Mike was a conference speaker at the Eastern Regional meeting in 2012.

Appointed to the Accountancy Board of Ohio in 2009, Mike is currently the Past Chair and has served as the vice-chair and secretary of the board. He has also served as chair of the Board's Peer Review Oversight Committee and as Chair of the Board's Finance and Audit Committee.

Mike Fritz has been involved in every aspect of the profession and has been equally involved in his community as a board member and volunteer.

He will make an excellent Great Lakes Regional Director and the Accountancy Board of Ohio is proud to endorse his candidacy.

Sincerely yours,



John E. Patterson  
Executive Director

JEP/tff



STATE OF OKLAHOMA  
OKLAHOMA ACCOUNTANCY BOARD

February 10, 2014

Mr. Gaylen R. Hansen, CPA  
Chair, NASBA Nominating Committee  
150 Fourth Avenue North, Suite 700  
Nashville, TN 37219-2417

Re: Nomination J. Coalter Baker for NASBA Southwest Regional Director

Dear Mr. Hansen and Members of the Nominating Committee:

At its meeting of February 7, 2014, the Oklahoma Board asked me to send this letter expressing its unanimous support of J. Coalter Baker, CPA's nomination to serve as the Southwest Regional Director. As you know Mr. Baker has extensive participation in NASBA and is in his second term on the Texas Board of Public Accountancy. His qualifications are extensive having a wide range of knowledge, experience, and accomplishments in regulatory and licensing matters.

Mr. Baker is highly regarded and would be an excellent representative of our region. The Oklahoma Board is very pleased to recommend her and requests that the Nominating Committee support his election.

Sincerely,  
Oklahoma Accountancy Board

Randall A. Ross, CPA, Executive Director

cc: Mr. Ken L. Bishop, NASBA President & Chief Executive Officer  
Members, Oklahoma Accountancy Board



# NASBA

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY

## CANDIDATE CONCERNS 13Q4

CANDIDATE CARE DEPARTMENT

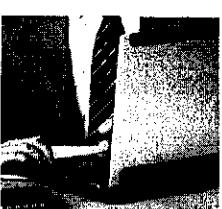
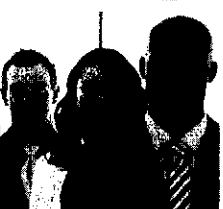
**OCTOBER 1 – NOVEMBER 30, 2013**



PENNY VERNON, MANAGER



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



## **CANDIDATE CARE CONCERNS**

**13Q4**

**OCTOBER 1 - NOVEMBER 30, 2013**

The following report describes issues reported to NASBA's Candidate Care Department during the 13Q4 testing window.

### **UPDATES TO THE EXAMINATION:**

There was a plug-in release distributed to the field for the 13Q4 window. This included a remedy for the slow load times of the Tasked Based Simulations and added a comma to the calculator. The distribution of the plug-ins was closely monitored by the AICPA, NASBA and Prometric at the beginning of the testing window. This was to ensure that they did not disrupt the examination process as experienced by candidates. No difficulties were reported.

The AICPA also updated the tutorial to reflect a few recent changes to the CPA Exam as well as some technological enhancements that will make it easier for candidates to access the tutorial on a variety of hardware platforms.

NASBA re-vamped the Candidate Bulletin into an interactive document for easier user navigation.

### **TESTING WINDOW EXTENSION:**

Due to the late U.S. Thanksgiving holiday, NASBA, the AICPA and Prometric decided to extend the Fall 2013 testing window. It was extended globally for an additional week through Friday, December 6<sup>th</sup>. The target date for the score release for candidates that tested in the period from December 1<sup>st</sup> through December 6<sup>th</sup> was set to December 20<sup>th</sup>, 2013.

Accounting Boards and candidates were notified via email on October 18<sup>th</sup>. NASBA, AICPA and Prometric websites were updated accordingly as well as postings on social media.

## ENVIRONMENTAL ISSUES:

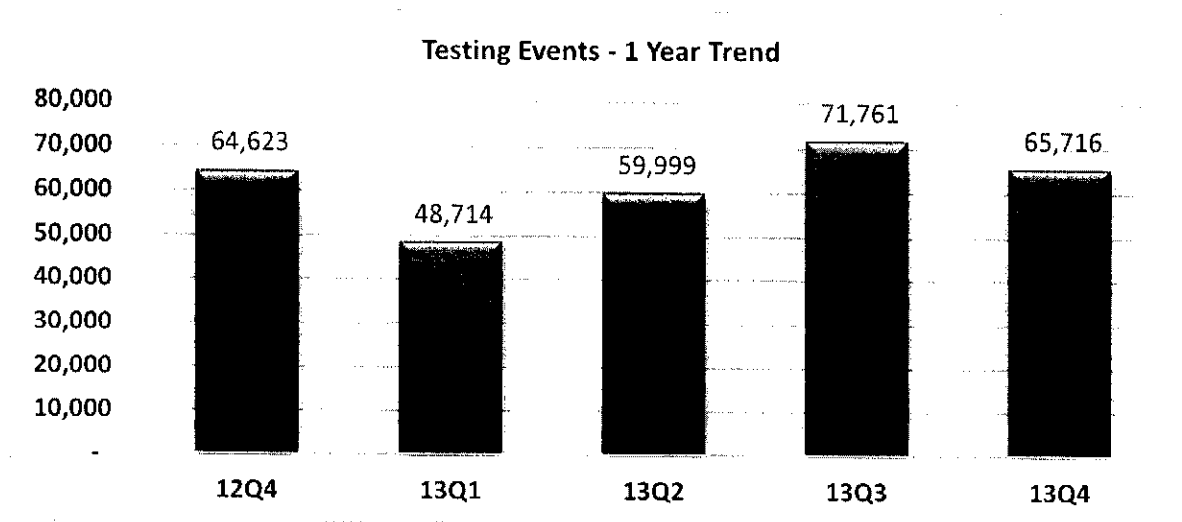
Guam experienced a typhoon in October and planned to close the testing center on Friday, October 18th. However the conscientious Manager, Randy Jung, decided to go to the center to greet candidates and explain the situation. They were able to test the candidates after a two hour delay as many of them were departing later in the evening.

On December 5<sup>th</sup> and 6<sup>th</sup> during the extended window due to the late Thanksgiving holiday, there was a severe ice storm. This affected approximately 250 candidates. Prometric agreed to keep the testing window open through December 11<sup>th</sup> in order to accommodate as many of these candidates as possible.

In reflecting over the past 10 years of administering the computerized CPA examination we have experienced ice and snow storms, tornados, hurricanes, flooding and even a tsunami. Throughout all of these conditions NASBA and Prometric have worked diligently together in order to provide service to candidates who were adversely affected by these environmental issues.

## TESTING EVENTS:

There were 65,716 testing events in 13Q4, which is an 8.42% decrease over 13Q3 that had 71,761 recorded testing events. However, the trend in the chart below also shows a clear increase since the beginning of the year.





## SUMMARY of CANDIDATE CONCERNS:

The totals of the Summary of Candidate Concerns table appear to be steady when compared to the previous quarter where 887 concerns were recorded versus the current quarter where 879 concerns were recorded. The most notable change within the summary occurred within the Environment category, where an increase of 40 concerns was recorded versus 0 last quarter. This increase was mostly caused by the extreme winter weather in many states across the continental United States.

<b>Candidate Concerns</b>	<b>Window</b>				
<b>Category</b>	<b>12Q4</b>	<b>13Q1</b>	<b>13Q2</b>	<b>13Q3</b>	<b>13Q4</b>
AICPA & Test Content	6	3	13	28	13
Candidate Error	57	58	69	74	77
Confirmation of Acceptance	102	79	19	147	133
Environment	253	84	17	0	40
International Exam	177	137	176	127	100
Prometric Scheduling Issues	12	13	8	18	16
Prometric Site Issues	37	36	39	53	47
Technical	100	107	73	115	119
<b>Total</b>	<b>744</b>	<b>517</b>	<b>414</b>	<b>562</b>	<b>545</b>
*Coordinator follow-up	72	39	44	174	178
*CPAES & NCD	79	71	58	151	156
<b>TOTAL</b>	<b>895</b>	<b>627</b>	<b>516</b>	<b>887</b>	<b>879</b>

\*Note: The Coordinator Follow-Up and the CPAE & NCD categories primarily consist of inquiries made by candidates with questions and /or concerns about the entire process of taking the CPA examination. Each is responded to either directly by the Candidate Care Department or transferred to the appropriate examination coordinator for follow-up.

## TESTING ACCOMMODATIONS:

There were 448 examinations administered with testing accommodations during the 13Q4 testing window. There were no multi-day administrations.

An expanded list of testing accommodations was added to the Gateway System. The chart below outlines these additions. Boards are advised to continue to use Logistical Provisions to an accommodation that is not on this list. Accommodations are delivered without additional charges to the Board unless notated in the list on the following pages (5-8).

<b>Gateway Code</b>	<b>Accommodation</b>	<b>Description</b>
A	Separate Room	Candidate tests alone in a separate room, or with a proctor (reader or recorder). Not necessarily a quiet or reduced distraction testing area. A charge of \$1500 or more (per exam administration) is incurred by the board if a Site Shutdown is needed to provide the accommodation.
AA1	Permission to Stand/Kneel	Candidate is permitted to stand or kneel during the exam. Must also approve for Separate Room.
AB*	Additional Breaks	Candidate is permitted to take a break at any time. A break monitor proctor is required to monitor the candidate during breaks. Note: Exam time does not stop during breaks.
AT	Additional 30 Minutes	Exam time is extended by 30 minutes. Boards are invoiced monthly for extended seat time.
CS1	Permitted Item: Food	Food may be snacks, a sandwich, etc. Must also approve for Separate Room.
CS2	Permitted Item: Water	Bottled water only. Must also approve for Separate Room.
CS3	Allowance for Diabetic Supplies	TCA is advised that candidate is permitted to have diabetic supplies available in the testing area. Must also approve for Separate Room.
CS4	Walking Aid (Cane/Crutches/Walker)	TCA is advised that candidate uses a walking aid (Cane/Crutches/Walker).
CS5	Permitted Item: Medication/Pill	Medication allowed in the testing area, but must be taken out of container (pills only).
D	Double time	Exam time is doubled (2x). Boards are invoiced monthly for extended seat time.
E	Time and a half	Exam time and a half (1.5x). Boards are invoiced monthly for extended seat time.

EK	Ergonomic Keyboard	Prometric equipment- Special Ergonomic Keyboard.
EQ1	Height Adjustable Table	Used to accommodate wheelchairs. Not sufficient for a candidate who needs to test standing. Must also approve for Separate Room.
EQ10	Enlarged Key Keyboard	Prometric Equipment- Special keyboard with enlarged keys.
EQ11	Noise Cancelling Headphones	Prometric Equipment (candidate may not bring in own headphones)
EQ12	High Table (Table Top Riser)	This is to accommodate a candidate who needs to test standing. Must also approve for Separate Room.
EQ2	Special Chair with Adjustable Arms	Office style chair.
EQ3	Reinforced Chair	500 pound capacity chair.
EQ4	Touch Pad Keyboard/Mouse	Prometric equipment- Special Keyboard/Mouse combo.
EQ5	Touch Pad Mouse	Prometric equipment- Special mouse.
EQ6	Left Handed Mouse	Prometric equipment- Special mouse.
EQ7	Scratch Paper and Pencils	Scratch paper and pencils, similar to ones used prior to Noteboards.
EQ8	21 Inch LCD Monitor	Large LCD Monitor. Must also approve for Separate Room. Shipping charge of \$50 per exam is incurred by the Board.
EQ9	24 Inch LCD Monitor	Large LCD Monitor. Must also approve for Separate Room. Shipping charge of \$50 per exam is incurred by the Board.
H	Head Mouse	Prometric equipment- Special Mouse. Requires On-Screen Keyboard and Separate Room.

I*	Sign Language Interpreter	Interpreter may not enter the testing area to sign exam content. For general communication with test center staff only.
K	Intellikeys Keyboard	Prometric equipment- Special keyboard. Must also approve for Separate Room.
L	<i>Logistical Provisions</i>	<i>Use for non-standard accommodations (anything not on this list).</i>
M	Magic Arm and Super Clamp	Prometric equipment- Used for modified keyboard placement.
MD*	Multi-Day Exam	Multi-day exam administration. Candidate must schedule two consecutive days for the exam. Testlets 1-3 are given on the first day, testlet 4 is given on the second day. A NASBA special administrator proctor must be on site to assist with the exam administration. Note: exam can only be split over two days, and there is an extra cost (typically \$2000 or more) incurred by the board for each exam administration.
NP	Non-Programmable Calculator	Standard basic function hand-held calculator.
PA1	Medical Attendant	Medical aid (provided by candidate).
R*	Reader	A reader proctor assists the candidate with reading test items. Must also approve for Separate Room.
S	Screen Magnifier	Equipment that is placed on the computer monitor. Offers limited magnification that is preset (cannot be adjusted).
SA1	Wheelchair Access	This is already standard at all Prometric test centers. Use this code if a candidate specifically requests wheelchair access, and you want it to appear on the NTS.

SA2	Site Closure Approved	A test center is shut down to provide a closed-off testing area (Separate Room). The board incurs a site shutdown fee for each exam administration, typically \$1500-3000.
SA3	Waive Biometrics/Fingerprinting	Candidate is permitted to bypass biometrics/fingerprinting & wand, for medical reasons.
SW1	On Screen Keyboard (Softype)	An on-screen keyboard, to be used with special equipment, such as a head-movement mouse or wireless mouse. Must also approve for specific equipment and Separate Room.
T	Trackball Mouse	Prometric equipment- Trackball mouse.
U*	Recorder (Writer)	Formerly AMANUENSIS, a recorder proctor assists the candidate with entering responses on the computer. A recorder may also act as a reader at the same time if a candidate is approved for both Reader and Recorder (Writer).
Z	Zoomtext	Special software that allows for screen magnification up to 10 times regular size. Software adjusts with the keyboard and allows you to actively zoom in and zoom out, as needed. Check to make sure candidate is familiar with Zoomtext software before approving it.

\*\* Additional charges are incurred by the board if NASBA's assistive personnel services are used to securing ADA proctors.

**As always, NASBA's Candidate Care Department welcomes the opportunity to act as advocates for your candidates. We welcome any comments and suggestions as to how we can continue to improve our service. Please direct them to Penny Vernon at [pvernon@nasba.org](mailto:pvernon@nasba.org) or at 615-880-4209.**

**National Association of State Boards of Accountancy, Inc.**

**Meeting of the Board of Directors**

**October 25, 2013 - Hyatt Regency, Maui, HI**

1. Call to Order

A duly scheduled meeting of the Board of Directors of the National Association of State Boards of Accountancy was called to order by Chair Gaylen Hansen at 9:05 a.m. on Friday, October 25, 2013 at the Hyatt Regency in Maui, HI.

2. Report of Attendance

President Ken L. Bishop reported the following were present:

Officers

Gaylen R. Hansen, CPA (CO), Chair  
Carlos E. Johnson, CPA (OK), Vice Chair  
Mark P. Harris, CPA (LA), Past Chair  
E. Kent Smoll, CPA (KS), Treasurer, Director-at-Large  
Kenneth R. Odom, CPA (AL), Secretary, Director-at-Large

Directors-at-Large

Donald H. Burkett, CPA (SC)  
Raymond N. Johnson, CPA (OR)  
Theodore W. Long, Jr., CPA (OH)  
Harry O. Parsons, CPA (NV)  
Laurie J. Tish, CPA (WA)  
Richard Isserman, CPA (NY) on phone

Regional Directors

Donald F. Aubrey, CPA (WA), Pacific  
Jimmy E. Burkes, CPA (MS), Southeast  
Jefferson Chickering, CPA (NH), Northeast  
Bucky Glover, CPA (NC), Middle Atlantic  
Janice L. Gray, CPA (OK), Southwest  
Douglas W. Skiles, CPA (WA), Central  
Karen F. Turner, CPA (CO), Mountain  
Kim Tredinnick, CPA (WI), Great Lakes

Executive Directors' Liaison

Nicole Kasin (SD)

Guests

A. Carlos Barrera, CPA (TX) – Southwest Regional Director Nominee  
John F. Dailey, Jr., CPA (NJ) – Northeast Regional Director Nominee  
Walter C. Davenport, CPA (NC) – Vice Chair Nominee

Tyrone E. Dickerson, CPA (VA) – Middle Atlantic Regional Director Nominee  
W. Michael Fritz (OH) Mike Fritz – Great Lakes Regional Director Nominee  
Richard N. Reisig, CPA (MT) –Mountain Regional Director Nominee

#### Member Absent

Telford A. Lodden, CPA, Director-at-Large

#### 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  
Louise Dratler Haberman, Vice President - Information and Research  
Thomas G. Kenny, Director – Communications  
Noel L. Allen, Esq., Legal Counsel

### 3. Approval of Minutes

The minutes of the July Board meeting were approved as submitted by Secretary Odom on a motion by Mr. Burkett, that was seconded by Mr. Parsons. Similarly, the minutes of the special conference call on September 25 were approved as presented by Secretary Odom on a motion by Mr. Burkett, seconded by Ms. Gray.

### 4. Report of the Chair

Chair Hansen welcomed the Regional Director Nominees and asked Messrs. Barrera, Dailey, Dickerson, Fritz and Reisig to introduce themselves.

NASBA'S Executive Committee on the previous day had taken action to authorize President and CEO Bishop to move forward with the realignment of the Nashville office space, Mr. Hansen reported, and that action requires the approval of the Board. President Bishop said the real estate market in Nashville is closing up fast and management needs the ability to move in a timely manner. Staff has been working with architects to determine the most efficient design for their work environment. More open collaborative space is envisioned.

Mr. Burkett made a motion to ratify the action taken by the Executive Committee to authorize the CEO to handle the determination of any reconfiguration of NASBA's headquarters in Nashville, TN. Mr. Burkes seconded. All approved.

President Bishop assured the Board the studies and reconfiguration would stay within the parameters of the budget. A firm that represents tenants has been hired to facilitate this process and that includes lease negotiations with the landlord.

Chair Hansen described his presentation at the AICPA's Council in October. His remarks focused on a high-level discussion of the AICPA's Financial Reporting Framework for Small- and Medium-Size Entities (FRF). The AICPA is now going into the second phase of the FRF which incorporates NASBA's comments. He reported AICPA President Barry Melancon had said that FRF is not GAAP and that is now being highlighted in the AICPA's communications. Mr. Hansen said that as part of his presentation he stated that NASBA did not endorse the FRF or any other OCBOA. Following the presentation people came up to him and said they understood his position.

NASBA's new State Society Relations Committee has been well received, Chair Hansen said. Rich Jones, CEO of the Washington Society of CPAs, has been selected to chair the group. Others from around the country have expressed interest in being considered as future members.

Chair Hansen, President Bishop, and Executive Vice President Conrad had attended the FASB's 40th birthday celebration in New York City. There was discussion of the need for sovereignty in standard setting, the need for standards with a nation's own voice, and not through an international organization. However, the national standard setters will continue to collaborate. Mr. Hansen said IFRS adoption in the U.S. was not anticipated soon by those he spoke to at the FASB gathering.

Meetings of the Consultative Advisory Group for the Public Company Accounting Oversight Board have also been attended by Mr. Hansen, as well as the advisory groups for the international ethics and auditing standards bodies. NASBA representatives have been attending the Private Company Council meetings and Mr. Hansen said he had attended the last one and significant progress is being made. The summit meeting of AICPA and NASBA leadership held in August 8-9 in Boston, was very cordial, Mr. Hansen stated.

## 5. Report of the President

President Bishop reported that despite the staff reductions that had been made, morale has been increasing. An employee appreciation week was held September 9-13 along with a family weekend outing. During Hispanic Heritage Month, NASBA's Spanish-American employees in Nashville, Guam and Puerto Rico were highlighted. NASBA had participated in Downtown Nashville Appreciation Week, and Mr. Bishop now is a member of the board for the Downtown Partnership.

A mini-Mexican summit was held in conjunction with the NASBA/AICPA International Qualifications Appraisal Board meeting in October in Nashville. Representatives of the Instituto Mexicano de Contadores Publicos met with NASBA leaders and reported that Mexico is very slowly converging to IFRS, with a lot of nuances to the standards they are adopting and eliminating different areas of IFRS. They are looking to a natural convergence, rather than a mandatory one, Mr. Bishop said.

Executive Vice President Conrad said representatives of the Association of Chartered Accountants in the United States (ACAUS) had visited the Nashville office. They are concerned about what titles can be used in the U.S. and they are looking to see where they can become CPAs. Ms. Conrad said a webinar may be prepared for them.

IQAB has virtually hit a dead end for traditional mutual recognition agreements, Mr. Bishop observed. Not many countries have the same requirements for licensed auditors as the U.S. does. Vice Presidents Dan Dustin and Louise Dratler Haberman have been directed to develop a white paper with their AICPA counterparts that considers unilateral recognition, Mr. Bishop said.

Ms. Conrad reported contact is being made with the Accountants Coalition, the Securities and Exchange Commission, the Internal Revenue Service and the Department of Labor. Meetings with the federal agencies have been scheduled as part of an initiative of the Enforcement Resources Committee. Ms. Conrad and legal counsel Stacey Grooms and Maria Caldwell will be attending. The meetings had been scheduled earlier, but were postponed because of the federal government's shutdown. In addition the Public Company Accounting Oversight Board has agreed to have an annual meeting with NASBA.



Having people at the table is important to keeping NASBA relevant, President Bishop remarked. He pointed out a complete list of NASBA representatives appointed to other bodies is included in the 2013 NASBA Annual Report. These include: Elizabeth Gantnier (MD), Joshua A. Partlow (VT), and Richard N. Reisig (MT) to the Auditing Standards Board; Miley W. Glover (NC) and Thomas Winkler (IL) to the Board of Examiners with Allen Cohen replacing the retiring psychometrician, Bob Brennan; Cynthia Borders-Byrd (FL) to the AICPA State Board Committee; Richard G. David to the AICPA Professional Ethics Executive Committee; and Gaylen Hansen to the Consultative Advisory Committee of the IAASB and the IESBA, as well as the Standing Advisory Group of the PCAOB.

Thirty-one visits had been made to State Boards by NASBA staff members, Mr. Bishop reported, and Vice President Dustin had been asked to attend the Oregon Board's retreat and to be part of the California Board's commission. NASBA has been actively providing legislative support to the Oregon and Georgia Boards, Mr. Bishop said, and Legislative Affairs Director John Johnson is following 206 active bills that impact State Boards.

The three-way Uniform CPA Examination contract was signed in late July, a two-way contract between NASBA and the AICPA for the international administration of the Examination is just being completed, and an amendment to the three-way contract is to be completed in the next few days, Ms. Conrad reported. President Bishop told the Board that NASBA has a much stronger and more significant voice in the Examination than ever before.

NASBA's booth at the American Accounting Association's annual meeting in August was very successful, Ms. Conrad said. The NASBA educational research grants program helped bring the academics' attention to the booth.

The National CPE Registry Summit, tied to another conference being held in Houston, went very well, Mr. Bishop said. The Registry continues to grow, with large corporations and state CPA societies joining to have their courses listed. Forty-four jurisdictions are now on the Accountancy Licensee Database and 40 are on CPAVerify. Ms. Conrad congratulated Maria Caldwell and her team for building the Registry, the ALD and CPAVerify.

Great progress has also been made by NASBA International Evaluation Services, Mr. Bishop noted, with 40 Boards now using NIES. Additional staff are being hired for anticipated growth.

The Center for the Public Trust now has 18 student chapters and launched its ethical leader certification program on October 1, 2013, Mr. Bishop said. The Accountants Coalition made a significant contribution to the CPT, he stated.

#### 6. Report from the Vice Chair

Vice Chair Carlos Johnson reported significant work had gone into making committee appointments this year, and he hoped all are pleased with their assignments. There will also be accounting and auditing and tax advisory groups, as well as a leadership development group. Mr. Johnson said he expects these advisory groups will include some State Board members, some former Board members and some from outside the Boards of Accountancy.

#### 7. Report of the Administration and Finance Committee

Treasurer Smoll reported NASBA had its best year ever in operating income, investment income and net income with a net increase in net assets of \$4.8 million versus the prior year's

\$1.4 million. NASBA also devoted more resources toward mission-related activities and services that directly benefit the Boards than in any prior year. Chief Financial Officer and Senior Vice President Michael Bryant pointed out that the primary contributors to the revenue increase were NIES and the CPE Sponsor Registry. Long-term fund investment returns averaged 8.1% over the prior three years and the total amount of investment income earned in fiscal 2013 exceeded any previous year, he noted.

#### 8. Report of the Audit Committee

Committee Chair Tredinnick reported the Audit Committee and management had met twice during the year, the last time on September 23. Both meetings included the audit partner and manager for the fiscal 2013 audit. The Committee met separately with the auditors as part of the September meeting, as well as separately with management. NASBA received a clean opinion on the three audits, NASBA, CPT, and the NASBA 401(k) Plan. The audit firm found no material weaknesses or the need for any journal entries. The Audit Committee passed a motion to approve the audits as presented.

Mr. Glover moved to accept the NASBA financial statements and audit report as presented. Mr. Smoll seconded and all approved.

Mr. Tredinnick reported the Audit Committee recommends that the Board ask the Bylaws Committee propose a change to allow the Audit Committee to accept the financial statements on behalf of NASBA, in order to avoid dating and timing issues that occur due to the Board of Directors' meeting being held at the end of October.

The Audit Committee recommends that the BOD accept the NASBA Center for the Public Trust's financial records and audit report for CPT. Mr. Burkett moved to accept the reports. Mr. Parsons seconded. Following the distribution of these reports, the motion was passed.

For next year the Audit Committee has voted there be a limited scope audit of the NASBA 401 K.. They also recommended that the Board reappoint Lattimore Black Morgan & Cain, LLC, as NASBA's independent auditors for the year ending July 31, 2014. This would be the 16th year the firm was engaged as NASBA's auditor. Mr. Smoll seconded Mr. Tredinnick's motion. All agreed to the reappointment.

President Hansen congratulated Chief Financial Officer Bryant for his work, including getting NASBA on the direct method for the cash flow statement presentation. Mr. Tredinnick asked for thanks to be communicated to Director of Finance and Controller Troy Walker for his exceptional work throughout the year as well.

#### 9. Report from the Executive Directors Committee

September's NASBA U brought in 10 participants from eight states, including three new State Board executive directors, Committee Chair Kasin reported. This year has seen about a dozen new executive directors coming to the Accountancy Boards. Another NASBA U will be held in April.

Ms. Kasin said the Executive Directors Committee is finalizing the agenda for the Executive Directors Annual Conference, to be held in March 2014. She encouraged the

committee chairs to suggest issues that need to be discussed at that meeting. The Committee hopes to have another speaker from the Department of Labor this year.

#### 10. Report from Uniform Accountancy Act Committee

UAA Committee Chair Odom reported the exposure draft period on the “attest” definition revision had just ended and the comment period for the new exposure draft on firm mobility will end on January 31, 2014. Approximately 10 comments were received on the “attest” redefinition, with most favoring the language with no changes.

Mr. Odom said the UAA Committee has released wording that would permit a jurisdiction to adopt both the firm mobility and attest language, or to just carve out the proposals and adopt only the attest language.

#### 11. Report of the Diversity Task Force

Task Force Chair Harris reported the six-member group had met on August 22 in NASBA’s New York City office. The Task Force was assembled based on suggestions made during NASBA’s fishbowl contest. The group includes three women, three minority group members and four current State Board members. Mr. Harris referenced a paper developed by NASBA Vice President Ed Barnicott based on the Task Force’s discussion, which included recommendations to NASBA Chair Gaylen Hansen.

Some of their recommendations were: Create a leadership development group; Demographic information should be requested in the Committee interest form. As being a NASBA Regional Director requires 20-27 days a year, according to the Task Force’s estimate, shortening that time commitment could result in others stepping up for NASBA involvement. By using technology, some of that time could be cut back. Being a committee chair does not require as much of a time commitment and should be extended to 4-5 others who are not on the NASBA Board.

Ms. Tish said NASBA needs to look at how the Nominating Committee is structured so that the Board does not end up being all male. She said having no women Regional Directors 2013-14 sends a poor message. However, the more this situation is talked about, the more chance it will not be a problem. Mr. Harris said possible changes in the Bylaws might be considered.

Vice Chair Johnson said there was emphasis on diversity in his committee appointments for 2013-14. It will be an ongoing discussion with the Bylaws Committee. Tyrone Dickerson will be chair of the Diversity Task Force 2013-14.

Chair Hansen said he had provided feedback to Mr. Harris and the report will be distributed to the members of the Board of Directors.

#### 12. Report of the Global Strategies Committee

Committee Chair Long said the Committee had developed a document entitled “Defining a Global Strategy.” The purpose of the paper is to provide background and recommendations to help NASBA to define an approach to the international accounting and auditing community, he explained. The paper defines the international landscape by the organizations that are operating. The role of the Accountancy Board has to be clearly communicated to the

international community, Mr. Long stated. The Boards of Accountancy need to have more representation on international bodies.

Chair Hansen commented that this was an excellent report and provided something on which to build.

Director-at-Large Ray Johnson said he is a member of an IFAC consultative advisory committee and he believes the report was very well done. He believes more has to be done to fully communicate to the appropriate committees what is happening internationally.

### 13. Policy Discussion

Chair Hansen showed three short videos by strategist Jim Collins, author of *Built to Last*, to serve as a basis for the Board's discussion. Mr. Collins counsels that an organization needs to know (1) What you are deeply passionate about. (2) Understands what you can be the best in the world at and what you can't be the best at. (3) What drives your resource engine. Chair Hansen asked the Board members to consider what was learned from the major NASBA events this year.

Mr. Burkett said everyone on the Board has a passion for the accounting profession and what they can do to improve it and its regulation. They hope to tap into the resources and use the great people the Boards have. He observed that NASBA has had a problem in getting buy-in from the Boards it is serving. By giving the Regional Directors a more frontline approach that concern is being addressed.

Mr. Dickerson recommended that NASBA be more pro-active in talking to new Accountancy Board members. He said he had personally counseled some on what NASBA is all about.

Mr. Glover said some states think NASBA is pushing firm mobility. Some states have a misperception of what NASBA does and they are not clear on what NASBA's "passion" is.

It is critical that NASBA have more participation from State Board members, Mr. Parsons said. NASBA should never apologize for making a profit, because it is for the State Boards, he stated.

President Bishop said 15 State Boards could not attend the Annual Meeting because it was in Hawaii. He said NASBA has to be sensitive to the optics of situations.

Ms. Turner observed that NASBA has been listening to what the states need, as evidenced by NIES, and CPE Audit, and she believes that is part of what NASBA does very well.

Chair Hansen said what distinguishes NASBA from the AICPA is that NASBA really thinks about the public, especially when weighing in on accounting standards. He said he learned that NASBA has more strength than he had realized.

Ray Johnson noted the depth of conversations on the ARSC proposal moved that policy. NASBA brought more voices to the table, which helped the discussion. Ms. Gray pointed out that NASBA stood strong in their beliefs and handled those concerns in a very professional manner, which is why they were listened to by the standard writers.

Mr. Glover said this year there was a lot of discussion at the State Board level as they realized they could be heard. President Bishop said almost every state stood strong on the FRF, and that made a difference. Chair Hansen stated that had NASBA not made the ruckus that it did, the AICPA would not have been stopped, but NASBA has to be careful how it uses its power. Mr. Fritz said NASBA did wake up the State Boards.

Vice Chair Johnson said what was learned was that NASBA needs to be in communication with the AICPA. Mr. Ray Johnson said NASBA had missed a language change that went under its radar. Professional change is happening all the time and a thoughtful comment was needed.

Mr. Odom said he was on the ASB and on its FRF task force. They had already removed OCBOA from the standards, and he had voiced concern to the AICPA about the change to the auditing standards. All he was able to get in response to the comments he raised was a footnote. As long as the auditing standard is out there, there is no stopping any organization from establishing its own OCBOA, Mr. Odom warned.

Chair Hansen asked the Board for their opinions on the AICPA/NASBA summit meetings. Several of the Board members endorsed the summit meetings as being an effective way for reducing conflicts.

What the next step for the Standard-Setting Group should be was discussed. Ray Johnson said Board members still want guidance on what is authoritative and what is not, and what standards do the Boards enforce. Ms. Tish said another three-hour meeting should be held fairly soon. Chair Hansen said he expected some decisions should be made by the January Board meeting.

#### 14. Discussion of the Vetting Process

Chair Hansen recognized the strong letters that had been developed by the Regulatory Response Committee, including the work being done on the Private Company Accounting Oversight Board's proposal on the auditor's report. He asked: What can be done to improve the vetting process on these types of letter?

Mr. Chickering said there is a point at which the Regional Director has to speak up on behalf of his or her Region even if it he or she cannot first speak to all his or her states. Ms. Gray advised that the Regional Directors be made aware of an exposure draft if something is controversial as soon as possible. So that they can get up-to-speed on the issue. She noted that the Regional Directors had been invited to listen to participate in the Regulatory Response Committee's calls when the letters are being developed.

Mr. Burkes noted he had wondered who defines which topics are controversial, but he said he is satisfied that the determination is made by the President and Chair. The Regional Directors need more than a day to come together on a call.

Mr. Skiles suggested that background material be sent out in advance.

President Bishop said that while he had initially opposed the Regional Directors being part of the earlier calls of the Regulatory Response Committee so that they kept their independent thinking, he had changed his opinion after learning the Private Company Council has the FASB hear all their conversations. He also recommended that timelines on the exposure drafts be observed so that there is sufficient time for vetting.

Mr. Odom proposed the Directors-at-Large be included in the vetting process as well.

Mr. Isserman said he thought it was preferable to have the Regional Directors on the Regulatory Response Committee's calls when the issues are discussed, but having no vote. He also thought more than one member of the Board of Directors could serve on the Regulatory Response Committee.

#### 15. Center for the Public Trust Board Approval

At the July NASBA Board meeting, a restructuring of the NASBA Center for the Public Trust's Bylaws had been approved, President Bishop reminded the Board. To continue the existing CPT Board members' service until the NASBA Board takes over, a vote is needed by

the NASBA Board, he explained. Mr. Parsons made a motion to approve the appointment of the officers, board members and lifetime board members of the NASBA Center for the Public Trust. Mr. Ray Johnson seconded. All approved.

Mr. Tredinnick presented the financial statements for the CPT from July 31, 2012-2013. Ms. Gray moved to approve the report and Ms. Turner seconded. All approved.

16. Thanks to Retiring Board Members

Chair Hansen reviewed NASBA's strategic mission statement and he thanked the Board members for living up to the ideals expressed in the statement. With the conclusion of their service to the Board, he thanked Mr. Chickering, Mr. Glover, Mr. Harris, Ms. Kasin, Mr. Long, Mr. Tredinnick and Ms. Turner.

President Bishop thanked Chair Hansen for being one of NASBA's hardest working chairs.

17. Next Meeting of the Board

Vice Chair Johnson announced the 2013-2014 NASBA Board would hold a brief meeting following the 2013 Annual Business Meeting to elect the Board Secretary and Treasurer. The next full meeting of the Board will be held January 17, 2014 in Palm Springs, CA.

18. Adjournment

The meeting was adjourned at 3:42 p.m.

**National Association of State Boards of Accountancy, Inc.**

**Meeting of the Board of Directors**

**October 29, 2013 - Hyatt Regency, Maui, HI**

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 Carlos Johnson at 11:30 a.m. on Tuesday, October 29, 2013 at the Hyatt Regency in Maui, HI.

2. Report of Attendance

President Ken L. Bishop reported the following were present:

Officers

Carlos E. Johnson, CPA (OK), Chair  
Walter C. Davenport, CPA (NC), Vice Chair  
Gaylen R. Hansen, CPA (CO), Past Chair

Directors-at-Large

Donald H. Burkett, CPA (SC)  
Janice L. Gray, CPA (OK)  
Raymond N. Johnson, CPA (OR)  
Kenneth R. Odom, CPA (AL)  
Harry O. Parsons, CPA (NV)  
E. Kent Smoll, CPA (KS)  
Laurie J. Tish, CPA (WA)

Regional Directors

Donald F. Aubrey, CPA (WA), Pacific  
A. Carlos Barrera, CPA (TX), Southwest  
Jimmy E. Burkes, CPA (MS), Southeast  
John F. Dailey, Jr., CPA (NJ), Northeast  
Tyrone E. Dickerson, CPA (VA), Middle Atlantic  
W. Michael Fritz, CPA (OH), Great Lakes  
Richard N. Reisig, CPA (MT), Mountain  
Douglas W. Skiles, CPA (NE), Central

Members Absent

Richard Isserman, CPA (NY), Director-at-Large  
Telford A. Lodden, CPA (IA), Director-at-Large

Staff

Ken L. Bishop, President and Chief Executive Officer  
Colleen K. Conrad, CPA, Executive Vice President and Chief Operating Officer  
Louise Dratler Haberman, Vice President - Information and Research  
Noel L. Allen, Esq., Legal Counsel

3. Election of Officers

In a unanimous vote, E. Kent Smoll was re-elected NASBA Treasurer.

In a unanimous vote, Kenneth R. Odom was re-elected NASBA Secretary.

4. Adjournment

The meeting was adjourned at 11: 45 a.m.

## **NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY, INC.**

### **Highlights of the Board of Directors Meeting January 17, 2014 – Palm Springs, CA**

At a duly called meeting of the Board of Directors of the National Association of State Boards of Accountancy, Inc., held on Friday, January 16, 2014 at the J. W. Marriott Palm Desert Resort, in California, the Board took the following actions:

- Approved the Uniform Accountancy Act Committee's proposed revised definition of "attest," as presented by NASBA UAA Committee Chair Kenneth R. Odom (AL). If the language is also approved by the AICPA's Board of Directors, it will become part of the UAA. Mr. Odom reported the comment period for the exposure draft on firm mobility will continue until the end of this month.
- Heard from NASBA Chair Carlos E. Johnson (OK) a summary of the topics to be discussed by NASBA and AICPA leaders at their February summit conference. He will also be attending the APLG/FSA meeting in February, the 10<sup>th</sup> anniversary celebration of the opening of NASBA's Guam testing center and the international conference of the AACSB. Chair Johnson reported he had attended many of NASBA's committees' meetings and conference calls, as well as the conference presented by the Center for the Public Trust in cooperation with Baruch College of the City University of New York, which he praised for its eminent speakers.
- Received a report from President Ken L. Bishop on the business monitoring tools being employed by the NASBA executive staff to coordinate the work of the business units and the committees. He stressed the importance for Boards of Accountancy of getting out their brand within their jurisdictions, and noted that 10 states now are doing this with the assistance of newsletters prepared by the NASBA Communications Department, and another six are planning to do so.
- Approved the financial statements for the four months ended November 30, 2013 as presented by NASBA Treasurer E. Kent Smoll (KS). He reported for that the results were on track with the operating budget and that investment returns were in line with the strong market performance for the period.
- Were updated by Audit Committee Chair Richard Isserman (NY) and Senior Vice President and Chief Financial Officer Michael Bryant on the areas of risk being given additional focus in the current year. These include: assuring the organization is in compliance with the Foreign Corrupt Practices Act, security around NASBA's technology infrastructure and risks related to funds under the organization's control.
- Learned from Executive Vice President and Chief Operating Officer Colleen Conrad that there are currently over 2,000 continuing professional education sponsors on the NASBA National Registry of CPE Sponsors, and that 46 jurisdictions are now fully



participating in the Accountancy Licensee Database. She credited the NASBA staff for their continuing efforts to bring all jurisdictions into the ALD.

- Received a report from Continuous Improvements and Analytics Director James Suh on the progress of NASBA's International Evaluation Service, which has completed for 42 U.S. jurisdictions 6,000 evaluations of candidates from over 100 countries.
- Were presented the agenda for the March 3-5, 2014 32<sup>nd</sup> Annual Conference for Executive Directors and Board Staff by Executive Directors Committee Chair Mark Crocker (TN). The Board members were asked to encourage all states to be represented at the Executive Directors Conference and the concurrent 19<sup>th</sup> Annual Conference for Board of Accountancy Legal Counsel. Speakers will include representatives of the Internal Revenue Service and the Department of Labor.
- Received copies of the letter sent by NASBA to the Public Company Accounting Oversight Board on the auditor's report (December 9, 2013) and were told by Regulatory Response Committee Chair W. Michael Fritz that the drafting of a letter to the PCAOB on its "Improving the Transparency of Audits" Rulemaking Docket No. 29 is almost completed.
- Discussed with President Bishop the importance of NASBA's legislative alerts to the states. He pointed out that NASBA is currently offering assistance to the Wisconsin Board to have repealed the recently enacted legislation that would remove Wisconsin's education requirement for taking the Uniform CPA Examination.
- Heard a progress report from Past Chair Gaylen R. Hansen (CO) on the work of the Standards Study Group. They expect to develop action steps for raising the standard setting process, which they will be able to present at the Regional Meetings in June.
- Affirmed the appointment of Director-at-Large Donald H. Burkett (SC) as NASBA's representative to the Center for the Public Trust's Board of Directors. During the Annual Meeting of the CPT, held during the NASBA BOD meeting as NASBA is the only member, the Board also appointed four new members to the CPT Board: Lawrence W. Hamilton, Joseph P. Petito, Vicky Petete and Louis Upkins, Jr. In addition, the NASBA Board elected Mr. Burkett to be secretary of the CPT Board.

The next meeting of the NASBA Board of Directors is scheduled for April 25, 2014 in San Juan, Puerto Rico.

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

**Executive Summary**  
**November 7, 2013 – December 30, 2013**  
**Regional Directors' Focus Question Responses**  
38 State Boards Responding

**1. Since the comment period has closed for the UAA Exposure Draft on the new definition for “attest,” has your Board discussed the impact this new attest definition could have on existing accountancy statutes, rules and regulations of your State/Jurisdiction? If so, what changes, if any, will be required to adapt to this new attest definition?**

- (a) Yes: 27 No: 8  
(b) Among responses – No impact (AK, KS, LA, MO, ND, RI, SD, TX, WA); Modify law (AR, CNMI, ID, KY, MT, VI, VT, WY); Needs further review (AZ, CO, IL, NM, OH, OR, PA).

**2. As discussed by Professor Karen Pincus at the NASBA Annual Meeting, the economics of higher education are pushing for more use of technology and less time on campus. Wharton is offering “An Introduction to Financial Accounting,” a 10-week course, to anyone in the world. How will your state determine whether or not the education received from Massive Open On-Line Courses (MOOC) would qualify as meeting your educational requirements? Has your state looked into, or is concerned about, the quality of the education prospective candidates will receive from classes which can have over 100,000 enrolled students?**

- (a) Among responses – Accepted if accredited (AL, AX, CA, HI, ID, KS, KY, NC, NV, RI, SD, TX, VT, WY); Not fully discussed or needs further review (AK, AZ, CA, CNMI, CO, IL, MN, MO, MT, ND, NH, NJ, NM, OK, OR, PA, TN, WA); Does not accept (AR); Suggests issue be addressed by NASBA committee (OK).  
(b) Among responses – Yes (AR, ID, ME, TN, VT); No (KY); Must be upper level (AL); Must be introductory course (LA); Irrelevant (GU); Established Task Force to address (NM).

**3. What would you like to see from your Regional Director in the coming year? How can the Regional Director help you?**

- (a) Among responses – Regular communication by quarterly phone calls (AR, NM, NC, SD, TX, WY); Updates on national and regional news affecting Boards (KS, MT, OH); analyze impact of firm mobility (OR).  
(b) Among responses – Inform Boards how other states handle software, staff rules, funds (LA) and of hot topics being discussed (MN); Explore opportunities for states to work together (ME).

**4. What is happening in your jurisdiction that other Boards and NASBA should know about?**

Among responses – Invite educators to Board meetings (MT); Changed experience and/or education requirement (ME, NV); Rule changes (AZ, HI, IL, KY, NM, OR).

**5. Are there any ways in which NASBA can assist your Board at the present time?**

Among responses – Peer review oversight (ME); Assist with legislative issues (MT); Provide access to CPA Exam scores at same time NASBA receives (TX); Provide central repository of reasons Boards use to justify their existence (MS, OK); Support for database, ALD and CPE updates to align with NASBA (MS).

**For details, see Regional Directors' Focus Question Report.**

# NASBA REGIONAL DIRECTORS' REPORT

The following is a summary of the written responses to focus questions gathered from the member boards by NASBA's Regional Directors between November 7, 2013 and December 30, 2013. Responses which indicated nothing to report have not been included in this summary.

Respectfully submitted,

*Douglas W. Skiles (NE) – Chair, Committee on Relations with Member Boards  
Central Regional Director*

*Jimmy E. Burkes (MS) – Southeast Regional Director*

*Donald F. Aubrey (WA) – Pacific Regional Director*

*Tyrone E. Dickerson (VA) – Middle Atlantic Regional Director*

*A. Carlos Barrera (TX) – Southwest Regional Director*

*John F. Dailey (NJ) – Northeast Regional Director*

*W. Michael Fritz (OH) – Great Lakes Regional Director*

*Richard N. Reisig (MT) – Mountain Regional Director*

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**1. Since the comment period has closed for the UAA Exposure Draft on the new definition for “attest,” has your Board discussed the impact this new attest definition could have on existing accountancy statutes, rules and regulations of your State/Jurisdiction? If so, what changes, if any, will be required to adapt to this new attest definition?**

**Alabama** – A bill revising the definition of attest as defined in Board statute was introduced in the 2013 Alabama Legislative Session and will be re-introduced in the upcoming 2014 Legislative Session. This bill further defines the term “attest” to add any engagement to be performed in accordance with the Statements on Standards for Attestation Engagements (SSAE) rather than just prospective financial information.

**Alaska** – The Alaska Board has not taken any action regarding changing the existing statutes or regulations in response to the new attest definition. Our statutes and regulations do not currently regulate compilations.

**Arizona** – The Board's current definition of attest is the same as the exposure draft except that it does not contain the following language.

- (5) *any examination, review, or agreed upon procedures engagement to be performed in accordance with the SSAE, other than an examination described in subsection (3).*

The Board's Law Review Committee is studying peer review rules and firms that provide attest services are subject to peer review. The Law Review Committee is studying making non-disclosure compilations also subject to peer review and will need to study the new language to determine its impact.

**Arkansas** – We will need to modify our law to change the current definition of attest to match up with the new one. We are planning on doing this during the 2015 legislative session. We will also need to change our rules.

**California** – Yes, the California Board of Accountancy discussed the new definition of “attest” at its Board meeting on September 27, 2013. The California Board of Accountancy will not be adopting the new definition of “attest” as current law is already interpreted in such a way that it includes everything covered under the new definition. Therefore, no changes will need to be made to adapt to a new definition.

**CNMI** – Our Board has not discussed this issue. Our statute is undergoing revision at this very moment. We have not yet adopted rules, but we are also doing that at this time.

**Colorado** – The Board briefly discussed this matter. Currently the laws and the rules do not specifically define “Attest.” The placement of the updated definition will determine what rule changes (if any) the Board will need to have.

**Guam** – The latest revised attest definition is under consideration for adoption in Guam's pending law update for mobility.

**Hawaii** – No discussion.

**Idaho** – The Idaho Board has discussed the impact the new definition of attest will have on our statutes, rules, and regulations. The Board has been provided a preliminary look at the number of changes that will need to be made. Besides the actual section of our Code where we define “attest” we reference the definition in many other sections of our Code and need to make sure to include the expanded definition, subsection (5) and not just ‘prospective financial statements’. We will also need to have one rule change in the area of Peer Review because it doesn’t include or reference the items now included under the definition of ‘attest’.

**Illinois BOE** – The impact on Illinois is uncertain at this time as we are currently reviewing our Administrative Rules.

**Illinois Div. of Prof. Reg.** – This information will need to be reviewed by the Division of Professional Regulation Legal Counsel for the Accounting Board.

**Kansas** – No changes are required in Kansas, as we have had the correct definition all along.

**Kentucky** – Board has discussed it and will make slight changes to our current definition of attest.

**Louisiana** – Yes, it should have no impact on our existing statutes.

**Maine** – No.

**Minnesota** – No discussion yet.

**Mississippi** – The Board discussed the impact of the proposed definition of attest but took no action. It was noted that since the Mississippi accountancy statutes contain a definition of “attest”, it would take legislation to change the definition. The Board is not ready to entertain such legislation at this time.

**Missouri** – A discussion on the draft occurred at our December 5, 2013 Board meeting. We have no plans to change the Missouri definition of “attest” at this time.

**Montana** - We have discussed this numerous times. To comply with the exposure draft, we would be required to change both statute and rules. We would discuss at the time if we wanted to mirror the UAA. We have concerns dropping compilations from the definition of attest.

**Nevada** – The Nevada Board has discussed the change in the attest definition. The Board’s definition is not compliant with the UAA and was heavily discussed during the mobility legislation. The Board still stands by the definition and does not believe any changes to the definition (even with the new proposed UAA definition) are required. Therefore no changes will be made to the Nevada statute at this time. The Board can review again when the next legislative session meets in 2015.

**New Hampshire** – None at this time.

**New Jersey** – The definition of “Attest” under NJSA 45:2B-44 appears to be in agreement with the Exposure Draft. The Board will monitor the final version for consistency.

**New Mexico** – The Board has not directly discussed this topic yet.

**North Carolina** – The Board submitted a response to the UAA exposure draft on the definition of “attest.” The Board will review the final definition for “attest” and discuss to see if any changes are needed in our rules where the definition for “attest” is located.

**North Dakota** – We have discussed the potential of editing our law, but are not advancing such an initiative.

**Ohio** – The Accountancy Board of Ohio’s existing statutes and rules are consistent with the new definition of “attest.” The Board is currently engaged in the process of review of all relevant Ohio Administrative Code sections to be as consistent as possible with the UAA.

**Oklahoma** – After reviewing the new definition, we do not anticipate any changes in the current Oklahoma law or rules.

**Oregon** – The Oregon Board has discussed this matter and has included this topic in the work of a broad laws and rules task force that among other initiatives is preparing recommendations to

the Oregon Board for the 2015 session. At this point this issue is being handled on a preliminary basis as a placeholder legislative initiative for 2015 with language development pending the final version of the UAA changes.

**Pennsylvania** – The Pennsylvania Board has considered the exposure draft. The current Pennsylvania Law includes SSAE standards in its definition of attest and as such seems to address the main focus of the UAA exposure draft. However, when the final version is issued, the Board will revisit again and may need to consider some minor changes to the current definition under Pennsylvania law, in particular to clarify and enhance with regard to other than financial statements services in the definition.

**Puerto Rico** – No, the board has not discussed the impact of the new attest definition.

**Rhode Island** – No changes.

**South Dakota** – At this time the Board does not have to make any changes to our definition of attest. However, what effect will this have on peer review requirements? With the broader definition it does not cover all areas of required peer review.

**Tennessee** – This will be on the agenda for the Board meeting on January 31, 2014.

**Texas** – No changes are needed as the new attest definition in the UAA essentially reflects current Texas law.

**Vermont** – Our Board has discussed the UAA Exposure Draft. To adopt the new definition of “attest” in Vermont we would be required to revise Vermont Title 26 of the Vermont Accountancy Law. The Board agenda currently calls for us to look at Title 26 in the summer of 2014. At that time, we will consider a change to the definition of “attest” along with any other changes the Board deems necessary.

**Virgin Islands** – Yes, we have. The Board updated their current legislation with the new language.

**Washington** - Pursuant to the authority of RCW 18.04.055(16), *Board-Rules*, the Board may establish any other rule necessary to implement Chapter 18.04 RCW. Accordingly the Chapter 4-30WAC has the force of law. Board Rule WAC 4-30-048(4) currently encompasses performance under the attestation standards (SSAEs).

Furthermore, RCW 18.04.025(22), *Definitions*, defines “a report on financial statements” to mean any report or opinion based upon services performed in accordance with ... standards for attestation engagements....

Based upon this analysis the Board believes that the new definition of attest will not affect the board’s authority over attestation engagements and the reports thereunder. However, it is highly likely that the Board would propose legislation to incorporate the expanded definition if opening the statute is prudent in the political climate at such time the proposed revised definition is incorporated into the UAA.

**Wyoming** – The Wyoming Board of Certified Public Accountants recognizes that the change in the attest definition will require that the enabling statute be revised. The Board will be strategizing its approach and will be interested in learning from the experiences of other jurisdictions.

**2. As discussed by Professor Karen Pincus at the NASBA Annual Meeting, the economics of higher education are pushing for more use of technology and less time on campus. Wharton is offering “An Introduction to Financial Accounting,” a 10-week course, to anyone in the world. How will your state determine whether or not the education received from Massive Open On-Line Courses (MOOC) would qualify as meeting your educational requirements? Has your state looked into, or is concerned about, the quality of the education prospective candidates will receive from classes which can have over 100,000 enrolled students?**

**Alabama** – On-line courses are accepted as long as they are posted to an official transcript from a college that holds a regional accreditation. Hours earned must be posted. Introductory classes are usually considered lower level. Courses must be upper level to qualify. Class size has not been an issue.

**Alaska** – The Alaska Board has not discussed this issue. Our current regulation (12 AAC 04.185) defines acceptable education.

**Arizona** – The Board has not discussed this issue in this specific context. However, the Board’s certification statute A.R.S 32-721 requires a baccalaureate degree or higher degree from an accredited institution or a college or university that maintains standards comparable to those of an accredited institution that the applicant has completed at least one hundred fifty semester hours of education of which:

(a) At least thirty-six semester hours are nonduplicative accounting courses of which at least thirty semester hours are upper division courses.

(b) At least thirty semester hours are related courses

As such, a Massive On-Line Course would have to be offered by an accredited institution and if the institution was accredited then the Board would have to accept since its statutes do not differentiate between courses taken online versus in a traditional setting.

**Arkansas** – Our Board does not accept introductory accounting courses (such as Principles of Accounting) as part of the accounting hours component to take the CPA Examination. However, if universities began offering upper level accounting courses via a MOOC, we would have concerns about that.

**California** – The California Board of Accountancy has not directly considered the topic of Massive Open On-Line Courses or MOOCs. That said, in determining whether education received from MOOCs would qualify, the California Board of Accountancy would look at California’s existing requirements found in Business and Professions Code section 5094.

Provided that the individual received college or university credit (in the form of units earned) from a regionally or nationally accredited institution, the units would qualify towards California's educational requirements.

**CNMI** – We have not discussed this issue. I can only offer my input that at present, to my knowledge there is currently no in-depth examination of the text used, the syllabus or course outline, the number or frequency of tests given to students, or any other type of verification other than seeing a grade on a transcript. Under the current system, I don't think Boards of Accountancy actually look into what textbook was used by any particular school for their accounting courses. I suppose that if there is concern about the adequacy of the content of a MOOC, it is up to the individual Boards to decide how deep to look into the course content. If the other Boards are actually looking into course content at this time, then I suppose they will look at the course content for the MOOC.

**Colorado** – The Colorado Board has not specifically looked into these courses. Given that MOOC courses are free, two concerns were raised: 1. There appears to be a lack of assessment and 2. There doesn't appear to be quality controls or internal controls.

We would be interested in having more information on this topic given the potential discrepancy that may exist among institutions to accept and grant credit for the MOOC course and others simply not accepting these courses. There needs to be some trust placed on the institutions to grant credit appropriately.

**Guam** – The number of participants in a course "on-line or off-line" *is irrelevant* from the Board's perspective, as one cannot objectively determine the qualitative effectiveness of either for an individual student/candidate without especial privity, ergo this is a moot (Merriam-Webster's adjective definition #2) issue; indeed, how does any board determine such today, beyond relying on the accreditation processes of the various educational programs accredited by the several generally recognized accrediting organizations enumerated in the UAA rules. Are the boards now to be considered capable of accrediting educational programs?

**Hawaii** – The Hawaii Board's acceptance of education credits in fulfillment of the education requirement to qualify to sit for the examination as well as for licensure depends on whether the school's online programs are included in its accreditation by a national or regional accrediting body.

**Idaho** – We did discuss this topic at our December Board meeting and Board staff has been trying to follow MOOC's. Per our discussion at this time, until these courses are accredited by the accrediting agencies recognized by the Board as stated in rule 300.01(b)(i-iii), we would not grant the candidate credit. As for the quality of the education, there are concerns and we would eagerly like to look at what research from the education field has found regarding this classes pertaining to quality of not only the classroom but application in the field from individuals who have taken these courses.

**Illinois BOE** – The Illinois Board of Examiners will be meeting with educators from across the state in April and will discuss the Massive Open On-Line Courses at that time.



**Illinois Div. of Prof. Reg.** – The Division of Professional Regulation that regulates the profession of accounting in Illinois will review this information based on the current Act and Rules in place for licensing.

**Kansas** – Kansas has been concerned for quite some time about online courses overall; however, with this particular course, it would not meet any of our specific course requirements, but would apply towards the overall 150 hour requirement. As with any other college, we would look at the accrediting entities, how credits are awarded, etc.

**Kentucky** – (a) We depend on the universities and accrediting groups to monitor this issue. (b) No.

**Louisiana** – We'd probably look to the universities for guidance on credit hours, and since it is introductory course, at the moment, at the moment, not sure the Board is overly concerned as yet. This was brought up at our last Board meeting as information only.

**Maine** – Accreditation standard does not comply with Maine's rules.

**Minnesota** – No discussion yet.

**Mississippi** – The Board will continue to apply the applicable accountancy statutes and rules and regulations to the education received by individual candidates on a case-by-case basis.

**Missouri** – This particular subject has not been discussed by the Board. However, any education that meets current Missouri law would be acceptable.

**Montana** – We will have the educators attend our January meeting and would like to discuss this with them. We are just getting information on this issue and have not considered all options or fully discussed this issue.

**Nevada** – The Nevada Board requires all education to be obtained from an accredited college or university. The education allowed must be submitted on a transcript indicating that the course has been completed. An introductory level course would not be considered in the Board's 30 hours of specific accounting courses required. However, it could be considered in the total amount of semester hours (150). If an institution provides on-line courses and indicates completion on the transcript, the Board will accept this (i.e., University of Phoenix, etc.).

**North Dakota** – We haven't really addressed whether such coursework would qualify. If the class were offered and taken for college credit via an accredited school – it should qualify. If not accredited, it would not necessarily be disqualified.

**New Hampshire** – The Board has not recently discussed this topic. The Board feels that NASBA should monitor this issue. If these types of courses become problematic, NASBA should report that information to the Boards.

**New Jersey** – We have not considered the effects of MOOC as of this time.

**New Mexico** – Our state has looked at education quality and has an ongoing task force to troubleshoot problematic areas for CPA Examination candidates.

**North Carolina** – The Board accepts educational credits earned by an individual which are reported on an official transcript from any college or university accredited by one of the nine U.S. regional education accrediting commissions regardless of the method of how the course is delivered and completed. On-line courses have been available for years and the number of individuals actually participating would seem irrelevant to the quality of the course. The impact of 100,000 individuals world-wide taking a specific course just shows you how technology has allowed individuals who may be unable to physically attend classes at an institution or that do not have an institution available can attain education.

**Ohio** – Educational requirements are determined by submission of a transcript. It will be up to individual educational institutions to determine whether the courses qualify for credit.

**Oklahoma** – Oklahoma has not addressed how we will address the Massive Open-Line Course or if it will qualify. We are concerned and believe that this is a subject that needs exploration and assistance from NASBA as well as the States. This topic and the issues surrounding it should be undertaken by a committee at NASBA or a working group established to review and offer guidance to the States or recommendations on how to handle these types of classes and whether they qualify or not.

**Oregon** – Board Chair Jessie Bridgham reported on this topic as part of her report to the Board about the Annual NASBA Conference. The Board will continue to monitor and discuss this issue and does not at this time yet have a specific policy position developed on this topic.

**Pennsylvania** – To date, the Pennsylvania Board has not discussed “MOOC”. That said, the Board is always concerned with the quality of education of prospective candidates and will have to monitor if this mode of education becomes more prevalent. The Pennsylvania Board generally accepts degrees and courses from a college or university accredited by a nationally recognized accrediting agency recognized by the U.S. Department of Education. The Board will welcome future thoughts from NASBA and other State Boards on this topic.

**Puerto Rico** – The quality of education is something that Universities and the Department of Education should be the ones to be concerned. If the future candidates are not adequately educated that will be reflected in the CPA Exam results.

**Rhode Island** – As long as it is from an accredited college and they issue credit for the course.

**South Dakota** – The MOOC would need to be listed on the official transcripts from a regionally accredited school showing course credit for our Board to accept the course.

**Tennessee** – We have not yet encountered this particular issue. We are always concerned about the quality of the education our candidates receive, and have trusted the institutions of higher learning to ensure the excellence of their courses.

**Texas** – All courses must be on a transcript as college credit and must come from a recognized accredited institution of higher learning. Texas will accept 15 semester hours of accounting courses online – the other 15 semester hours must be from a face-to-face classroom setting.

**Vermont** – The Vermont Rules and Law allow for such classes to be accepted as long as they are accepted by an accredited college or university and included in their accreditation process. The Board has some concern over these types of classes and believes the accreditation process is the best place to challenge the quality of education in these circumstances. We also have concerns about the transparency of such classes on college transcripts when they are outside of the accreditation program.

**Virgin Islands** – Our state has not looked into this, but will address as part of the new rules and regulations that are pending implementation.

**Washington** – At the Board’s 2013 Annual Public Meeting in October, the Board established a Qualifications Committee to evaluate the “Changing Face of Education”. Two Board members were assigned to that committee to work with or through the Executive Director and others to evaluate these questions. That team will also be asked to address other emerging issues such as False Transcripts, the Equivalency of Four Year Degrees from Community Colleges, whether or not subject matter content should be required for the required 30 semester credit hours beyond the typical 120 hour baccalaureate under Washington’s 150 hour threshold for examination and licensure and other related emerging issues. It is highly likely that statutory and rule changes would be a required outcome of the Board’s efforts in this arena.

**Wyoming** – Wyoming Board rules and regulations require that education relied upon to qualify for the examination and/or the certificate must be evidenced by a transcript issued by a college or university that is accredited by an acceptable accrediting association.

### **3. What would you like to see from your Regional Director in the coming year? How can the Regional Director help you?**

**Alaska** – Mr. Aubrey has already indicated that he may try to attend a Board meeting in early 2014; the Board appreciates the accessibility and responsiveness of our regional director.

**Arkansas** – We like the idea of quarterly phone calls with the various Boards in our region and Regional Director.

**CNMI** – Our most important issue at this time is getting our statute updated and getting rules put in place. NASBA and the AICPA have drafted the necessary changes to the statute, and I have circulated them to our Board members. We hope to have this update in place in 2014.

**Colorado** – The Board would like to have the ability to communicate with the regional director on various topics that may arise and ask that the director provide information on what is happening in the region.

**Guam** - Keep us abreast of the various issues/actions before the NASBA Board while representing our Board's view in the process.

**Hawaii** – To continue with providing the Board with effective and timely communication relating to information pertinent to the Board's work.

**Idaho** – As discussed at the Annual meeting, it was apparent that our Regional Director will be very proactive in providing communication in the type and manner that would be the most beneficial to the Boards. We are confident he will be able to put together the right audience for the information being sent meaning whether he can send out through the Executive Director or whether Board members need to be involved or included in the information process.

**Illinois BOE** – Illinois would appreciate regular updates from the Regional Director providing information relative to the individual states.

**Illinois Div. of Prof. Reg.** – Keep the State Boards informed of other State news in the Region.

**Kansas** – Keeping us apprised of anything on a national or regional level that might affect us.

**Louisiana** – Being new, I would like to see how other states handle everything, from software to staff to rules to funds.

**Maine** – Exploration of opportunities for State Boards to work together.

**Minnesota** – Bring forward topics that are being discussed at other Boards to stimulate discussion at our Board of the hot topics such as listed above.

**Mississippi** – Our Board is fortunate to have Jim Burkes as a Member and as its NASBA Regional Director. Mr. Burkes will continue to provide our Board and NASBA with his leadership and vision.

**Montana** – Communication of national issues discussed at NASBA. Keep regional members apprised of national issues. It is sometimes difficult for Board members to comment when we only meet quarterly. They don't always have an opportunity to comment or make their opinion known.

**Nevada** – The Nevada Board has not required assistance from the Regional Director as it receives updated information from NASBA Director-at-Large Harry Parsons. At this time, no additional assistance is needed, however, we do know that we can always reach out to the Regional Director should questions or issues arise.

**New Hampshire** – No assistance is needed at this time. The Board will call on the Regional Director if something comes up.

**New Jersey** – Since our President is our Regional Director it makes things a bit easier.

**New Mexico** – Physical or telephonic meetings, rather than emails. Sometimes emails can be easily overlooked.

**North Carolina** – We think the Regional Director plays a vital role in keeping our Board in touch in a timely manner on important NASBA issues needing our Board's input. This requires regular communications from the Regional Director with the Board and Executive staff.

**Ohio** – We would like the Regional Director to share new ideas from other states and regions including, but not limited to, statutes and rules.

**Oklahoma** – Interfacing with NASBA and being kept abreast of the various issues as soon as they occur is critical. Continuing this effort will be much appreciated.

**Oregon** – It would be helpful if the Regional Director could assist with asking NASBA for impact analysis with respect to firm mobility, irrespective of whether firm mobility ends up being included in the 7<sup>th</sup> edition of the UAA. There would appear to be significant value in utilizing the March conferences as an efficient vehicle to questions from the community of legal counsels to the Boards, and the Directors, and then determine ways in which NASBA could assist with answers.

**Pennsylvania** – Nothing specific at this time, other than to reach out to our Board Chair as needed to facilitate dialogue on specific topics or to inform us of important initiative that we might not otherwise be aware of. Our Board has become more engaged in NASBA activity over the last 18 months and looks to continue its engagement.

**Rhode Island** – Continued open line communication.

**South Dakota** – We would like to continue having our regional conference calls.

**Virgin Islands** – Educational assistance relative to the adoption and implementation of new regulations, education of new Board members on “pitfalls” of implementation and regulation of rules.

**Texas** – Conference calls on an as needed basis would be most helpful to stay up-to-date with emerging issues.

**Washington** – Washington State’s Regional Director is a sitting Board member. Accordingly, we are timely informed of NASBA activities appropriate for disclosure at the Board’s quarterly public meetings and receive timely local assistance if needed.

**Wyoming** – Quarterly conference call meetings with other states from our region would be helpful to keep informed of NASBA activities and initiatives.

**4. What is happening in your jurisdiction that other Boards and NASBA should know about?**

**Alaska** – The Board anticipates that an individual wishing to challenge the biometric requirement for the exam will continue to try to introduce legislation aimed at allowing alternate means of identification. This would result in the exam no longer being offered in Alaska, which would cause our candidates hardship. The Board will keep NASBA posted on this issue.

**Arizona** – The Board will have new rules that are effective in February 2014.

**California** – As the California Board of Accountancy has highlighted in previous Focus Question Responses, it will fully transition to the 150 semester unit requirement for initial CPA licensure effective January 1, 2014. As part of this transition to the new educational requirements, the core course requirements will increase, with a heavy emphasis on ethics education. To ease the transition to the new educational requirements, the California Legislature recently passed a bill to allow those individuals who passed the Uniform CPA Examination on or before December 31, 2013 to continue to apply for licensure under the existing educational requirements for a two-year period (ending December 31, 2015).

California implemented mobility for CPAs on July 1, 2013. Most CPAs are able to exercise their practice privilege rights in California with no notice and no fee. Effective January 1, 2014, the California Legislature enacted new laws allowing the California Board of Accountancy authority to issue citations to out-of-state CPAs practicing in California under practice privilege. Additionally, the legislation requires out-of-state CPAs, practicing in California under a practice privilege, to notify the California Board of Accountancy of pending criminal charges. This notification is consistent with the information the California Board of Accountancy receives for California licensees as well as individuals seeking to practice in California and will allow the California Board of Accountancy to determine whether there is potential for consumer harm.

**CNMI** – There is nothing of any particular importance at this time. We have less than 10 licensees and no E.D. or legal counsel or office or funding.

**Colorado** – Recently, the Colorado Board issued a Cease and Desist Order to a Canadian CPA who was holding himself out as a CPA without a Colorado license.

For the first time since the Mobility statute was created, the Colorado Board has a case where it’s attempting to revoke the practice privilege of an out-of-state CPA.

**Guam** – Guam's pending adoption of individual mobility, existing disapproval of firm mobility, and pending endowment agreement with the University of Guam.

**Hawaii** – The Board continues its efforts to promulgate administrative rules to implement the recently-enacted peer review requirement for Hawaii CPA firms.

**Idaho** – At this particular time, like other jurisdictions, we are continuing to follow and work with the issues of the new definition of ‘attest’, the FRF for SME’s and the Ethics Codification project.

**Illinois Div. of Prof. Reg.** – With the approval of the sunset legislation in 2013, rules will be drafted to accommodate statute changes as they apply.

**Kansas** – Minor regulation amendments for clarification and updating materials adopted by reference.

**Kentucky** – Some statutory and regulatory changes are planned for 2014.

**Louisiana** – Renewal period is in full force.

**Maine** – Adopted changes to the education and work experience requirements in Maine’s rules.

**Minnesota** – We are working hard to implement new law and rule changes which will improve compliance through stronger and more robust enforcement because of additional manpower provided by a fee increase.

**Mississippi** – The Board has become aware of rumors that the Mississippi legislature will consider a bill in the 2014 session to consolidate special fund agencies like the Board of Public Accountancy.

The statewide newspaper ran a negative article about our Board’s attendance at the annual meeting in Maui.

Our Board is also in the process of updating the old database to a web-based system where the data will reside behind a secure firewall on the state server.

**Missouri** – We are seeing a continued increased use of the NASBA CPETracking system being used by Missouri.

**Montana** – We will be inviting our educators to our Board meeting in January. This is an annual agenda item each January. We visit a different campus each November and conduct a Board meeting. We invite students and local practitioners to attend. We are beginning our legislative wish list for the 2015 Legislative session. With the reorganization and full time EO, the Board is doing strategic planning, setting goals and evaluation of meeting those goals.

**Nevada** – The Board recently changed the experience requirements for CPA licensure. The requirement for specific attestation hours has been removed. The requirement is now two years public accounting or four years internal audit or governmental accounting and auditing. The Board has also seen an increase in complaints received with allegations that involve mortgage lending and investing while utilizing the CPA designation.

**New Jersey** – We finally have some progress implementing the ALD program. We appreciate NASBA's assistance with this matter.

**New Mexico** – Some rules changes. Changes include background checks (fingerprints).

**North Carolina** – The Boards are continuing through a process of review by a Legislative Committee on consolidation, elimination or consolidation of administrative functions of the Boards. The fifty-five occupational Boards are participating in making sure that any information given to this Committee includes how the Boards are operating efficiently, functioning without state budget funds, and protecting the public.

**Ohio** – The Board is in the process of reviewing the Ohio Administrative Code and we are attempting, where possible, to align with the UAA.

**Oklahoma** – Oklahoma is beginning the sunset process this legislative session. Additionally, there is a push in our legislature to place a broad 5 year moratorium on any fee increases.

**Oregon** – The Oregon Board is undertaking a broad review of its laws and rules in an attempt to provide more clarity, a clearer framework, and a greater emphasis on principles-based rules and laws. A laws and rules task force is developing recommendations first for 2015 legislative initiatives, and will then move toward developing recommendations at the rules level during the summer.

In addition, the Oregon Board is moving swiftly toward significant transparency and customer service improvements, including with respect to sharing its data, including disciplinary data, with NASBA and other Boards through the ALD, and with consumers through CPA verify.org and a revised version of its Oregon look-up, which now also includes disciplinary data. This adds significantly to a transparency improvement undertaken in February 2013 which provided summaries of final disciplinary actions on the Board's web site, where they are now available in both chronological and alphabetical order. The connection to NASBA's ALD and CPA verify, and the new look-up on the Oregon Board site, are now quietly live and will be formally announced and publicized by January 15, 2014.

**Puerto Rico** – The Puerto Rico Board together with the Puerto Rico Society are working on the Mobility Legislation.

**Tennessee** – Tennessee has elected to use NASBA's CPETracking for its upcoming CPE audit cycle. We will be the second pilot state (Missouri was the first) to use this NASBA tool.



**Texas** – As a result of events that have been occurring throughout the country, the Texas Legislature has enacted laws to require enhanced security for state employees in state office buildings.

**Vermont** – The Board has had some turnover with the Public member resigning due to career change in August and being replaced in November. A former Chair, Lee Spivey, is also retiring from the Board in January after 12 years of service.

**Washington –**

- With NASBA's assistance we are finalizing our inaugural issue of an electronic newsletter for distribution to all credentialed individuals and firms plus state boards.
- The Executive Director has contracted for a restructured database to facilitate access by staff to information and data appropriate to their critical functions and provide real-time performance data for the agency's management team.
- The agency again is involved in two public records requests encompassing extremely large amounts of enforcement records covering a span of 5 and 10 years respectively. These requests relate to two investigations of individuals represented by a familiar law firm who state they are providing the respondents' defenses Pro Bono. Given the fact that legal fees of a requester are recoverable in full if even one public record is overlooked or withheld inappropriately, it is highly likely that the agency will be subject to another public records legal action.

**Wyoming** – There is an effort underway in which the legislature is contemplating creating homogeneous administrative rules for professional and occupational licensing boards and commissions. The Executive Director and her counterpart at the Wyoming Society of CPAs are closely monitoring.

**5. Are there any ways in which NASBA can assist your Board at the present time?**

**Alaska** – Due to cumbersome travel approval process, the Board would request that meeting agendas for all trainings, conferences, meetings be released as far in advance as possible. The travel approvers for the State of Alaska require copies of agendas before they will approve any out-of-state travel for staff or Board members.

**California** – Due to budgetary considerations, California has been unable to attend NASBA events held outside of California. Until these budgetary considerations are resolved, it would be beneficial if NASBA events were held in California.

**CNMI** – NASBA is assisting us at this time with the statute and rules.

**Colorado** – Yes, the Board is interested in having NASBA create a tool to track and report CPE with an auditing component for tracking compliance.

**Guam** – Repeat: (1) Provide the Board with an agenda/outline of NASBA’s “New Board Member” orientation program to help fulfill the new Guam law requiring Board members be “educated” annually; (2) sponsor a “goodwill” trip of NASBA and the Guam Board to visit U.S. Embassies in China, focused on securing a streamlined visa process for mainland China CPA Examination candidates to sit for the Examination in Guam, and to promote the U.S. CPA Examination among qualified CPA prep providers in China.

**Hawaii** – Continuing to assist and support the Hawaii Board with scholarships and other assistance to attend NASBA meetings and conferences.

**Idaho** – At the present time we are fine. Dan Dustin visited our Board in October and that was helpful to have interaction on a more one-on-one basis and to give us some ideas of what NASBA is currently focusing on as well as what other jurisdictions are doing.

**Illinois BOE** – NASBA has been providing assistance to the Illinois Board of Examiners regarding implementation of “best practice” office procedures and we are currently implementing changes and discussing others.

**Illinois Div. of Prof. Reg.** – With the e-mails submitted by NASBA on a regular basis this helps the States to keep apprised of current issues, updates, trends, etc.

**Louisiana** – We reached out to NASBA’s Communication Department (Tom Kenny) for assistance in creating a quarterly newsletter, and Penny Vernon, Manager of Candidate Care, is speaking at a presentation at LSU in January. Otherwise we are good.

**Maine** – Peer review oversight.

**Mississippi** – The Board is aware that it is possible that legislation will be introduced in 2014 that will propose to consolidate numerous regulatory boards (including the Public Accountancy Board) into a Board of Professional Regulation in order to save money and to increase efficiency. If that bill is introduced, our Board will need NASBA’s help to provide concrete examples of how consolidation has not enhanced protection of the public in other states and that it may not result in cost savings.

Our Board is interested in moving from a paper based CPE reporting form to an online system. We would be interested looking at the online CPE reporting system developed by NASBA for the Missouri Board, including the module for auditing CPE. It is our understanding that the licensees who choose to use the online CPE reporting form are not charged a fee.

As our Board begins the process of updating our old databases, we will need our programmers to work with the NASBA Managers and programmers to ensure that the Board’s feed to ALD is maintained and not interrupted when the update occurs. We also will need the same support and communication with NASBA when our candidate database is updated.

**Montana** – Assist with legislative issues as needed. We would be interested in possible assistance from NASBA in evaluating military training to determine if it is equivalent to education/experience requirements for licensure.

**New Hampshire** – We have two new Board members that may be interested in attending NASBA functions in the future.

**Ohio** – The staff and the Board are very pleased with NASBA’s willingness to respond to our request. We will not hesitate in the future to reach out when assistance is necessary.

**Oklahoma** – As State Boards prepare to justify their existence with legislatures, a central repository of justifications utilized by State Boards could be available or dispersed to states or redistributed if already available. NASBA could assist by helping to quantify the cost of protecting the public and the far ranging impact if there are “possible reductions” of regulation in the profession.

**Oregon** – NASBA’s staff has been phenomenal already assisting with the link to the ALD and CPA verify. In 2014 the Oregon Board will work with NASBA to launch its newsletters again, and to establish an automatic upload of its exam applicant data to NASBA’s exam database.

**Puerto Rico** – NASBA is already assisting our Board with the proposed legislation on Mobility.

**South Dakota** – Our Board would like a written response on what NASBA is doing with the information they receive from the quarterly focus questions and what their next steps are with the data and information they have gathered.

**Texas** – NASBA can assist us by developing a system whereby this agency would have access to the CPA Exam scores at the same time NASBA obtains scores. Anxious CPA applicants immediately contact the Board upon learning that the AICPA has released the exam scores and become frustrated when we are not able to provide them with their grades.

**Virgin Islands** – Currently receiving assistance on the implementation of the UAA legislation.

**Washington** – Develop a Library of Efficient and Effective Practices available to Board members as well as agency administrative personnel.

**Wyoming** – At this time the Board does not have a need, however, depending upon what happens with the upcoming legislative session, we may be in contact for assistance. Thank you!

**6. NASBA’s Board of Directors would appreciate as much input on the above questions as possible. How were the responses shown above compiled? Please check all that apply.**

☐ Input only from Board Chair: **CNMI, MN, PA, PR, VI**

☐ Input only from Executive Director: **AR, AZ, IL Div. of Prof. Reg., KY, LA, MO, ND, NM, NV, TN**

☐ Input only from Board Chair and Executive Director: **AK, IL BOE, ME, NC, TX**

\_\_\_ Input from all Board Members and Executive Director: **CO, GU, HI, ID, MT, NJ, OK, VT, WY**

\_\_\_ Input from some Board Members and Executive Director: **KS, NH, OH, MS, SD, WA**

\_\_\_ Input from all Board Members: **RI**

\_\_\_ Input from some Board Members

Other (please explain): **AL** - Board Chair and Chief Operating Officer,

**CA** - Board staff and will be presented to Board members at the next meeting on January 23, 2014.

**OR** – Board Chair and Executive Director, with Vice Chair review

1-22-2014

## REGIONAL DIRECTORS' FOCUS QUESTIONS

*The input received from our focus questions is reviewed by all members of NASBA's Board of Directors, committee chairs and executive staff and used to guide their actions. We encourage you to place the following questions early on the agenda of your next board meeting to allow for sufficient time for discussion. Please send your Board's responses to your Regional Director by April 1, 2014. Use additional sheets for your responses if needed.*

**JURISDICTION** \_\_\_\_\_ **DATE** \_\_\_\_\_  
**NAME OF PERSON SUBMITTING FORM** \_\_\_\_\_

**1. If someone holds the designation "CPA-Inactive" in another state, could he or she hold that designation in your jurisdiction? Does your state provide for an "inactive" or "retired" status? If so, what services could such an individual perform without being considered to need to have an active CPA license? If there is a distinction between "inactive" and "retired" status in your state, what could a "retired CPA" do? Does it matter if such services are performed pro bono?**

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**2. Your local newspaper reports a national firm has entered into a settlement agreement with the Securities and Exchange Commission. What would cause your state to consider opening an investigation of that firm and/or its CPAs?**

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**3. Has your Board reviewed the two exposure drafts from the AICPA's Accounting Review Services Committee regarding 1) compilation and preparation services and association and 2) the applicable framework? If so, does your Board have concerns with these changes? Please explain.**

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**4. What is happening in your jurisdiction that is important for other State Boards and NASBA to know about?**

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**5. Can NASBA be of any assistance to your Board at this time?**

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**JURISDICTION** \_\_\_\_\_  
**NAME OF PERSON SUBMITTING FORM** \_\_\_\_\_

**6. NASBA's Board of Directors would appreciate as much input on the above questions as possible. How were the responses shown above compiled? Please check all that apply.**

- ☐ Input only from Board Chair
  - ☐ Input only from Executive Director
  - ☐ Input only from Board Chair and Executive Director
  - ☐ Input from all Board Members and Executive Director
  - ☐ Input from some Board Members and Executive Director
  - ☐ Input from all Board Members
  - ☐ Input from some Board Members
- Other (please explain):