



**SOUTH DAKOTA
BOARD OF ACCOUNTANCY**
 301 E. 14th Street, Suite 200
 Sioux Falls, SD 57104
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Agenda
 South Dakota Board of Accountancy Meeting
 Conference Call
 9:00 a.m. (CT)
 March 24, 2017

A=Action
 D=Discussion
 I=Information

A-Approval of Minutes of Meeting January 20, 2017.....	2-3
A-Approval of Certificates & Firm Permits.....	4-5
A-Approval of Financial Statements through February 2017.....	6-23
A-Report to Board on CPE Request.....	24-30
A-Report to Board on NASBA Regional Conferences.....	31
D-Executive Director's Report.....	32
 AICPA	
D-AICPA Board of Examiners Meeting Highlights January 18-20, 2017.....	33-35
 NASBA	
D-CPE Model Rules Exposure Draft.....	36-43
 EXECUTIVE SESSION	
Equivalent Reviews, follow-up reviews and consent agreements for Board Approval.....	Spt. Pkt.

FUTURE MEETING DATES (all times CT)
 TBD



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Minutes of Meeting
South Dakota Board of Accountancy
Conference Call
January 20, 2017 - 9:00 a.m. CST

Chair David Pummel called the meeting to order at 9:04 a.m. Nicole Kasin called the roll. A quorum was present.

Members Present: Deidre Budahl, Marty Guindon, Jeff Smith, Holly Brunick and David Pummel.

Members Absent: Jeff Strand

Others Present: Nicole Kasin, Executive Director, Julie Iverson, Sr. Secretary, and Graham Oey, Legal Counsel and Department of Labor & Regulation.

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

Addition to the Certificates & Firm Permits
Board of Directors meeting minutes Oct 28 & Nov 1, 2016
Board of Directors meeting highlights Jan 6, 2017
Regional Directors Focus Questions Executive Summary & Report
Regional Directors Focus Questions
CPE Model Rules Exposure Draft
Addition to Peer Review

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

Deidre Budahl made a motion to approve the December 8, 2016 meeting minutes. Jeff Smith seconded the motion. A roll call vote was taken. The motion unanimously carried. (Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

Holly Brunick made a motion to approve the issuance of individual certificates and firm permits through January 19, 2017. Deidre Budahl seconded the motion. A roll call vote was taken. The motion unanimously carried. (Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

Marty Guindon made a motion to approve the financial statements through December 2016. Jeff Smith seconded the motion. A roll call vote was taken. The motion unanimously carried. (Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

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

Holly Brunick made a motion to approve the travel for the Executive Director to attend the NASBA Executive Directors Conference held in New Orleans, LA March 14-16, 2017 and Legal Counsel to attend the NASBA Legal Counsel conference held in New Orleans, LA March 14-16, 2017. Marty Guindon seconded the motion. A roll call vote was taken. The motion unanimously carried. (Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

The Board reviewed the report on the CPA exam grades for the 51st Window.

Deidre Budahl made a motion to approve the CPA exam scores for the 51st window through December 2016. Marty Guindon seconded the motion. A roll call vote was taken. The motion unanimously carried. (Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

Executive Director Kasin discussed her report with an update on the new database, the CPE audits, and the board's two year audit ending June 30, 2016.

The Board discussed the AICPA Proposed Evolution of Peer Review Administration paper; NASBA's candidate concerns for 4Q16 report; the NASBA Board of Directors meeting minutes from October 28th and November 1, 2016; the Board of Directors meeting highlights from January 6, 2017; the Regional Directors focus questions executive summary & report; and the CPE Model Rules Exposure Draft.

The Board completed NASBA's quarterly focus questions.

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

The Board came out of executive session.

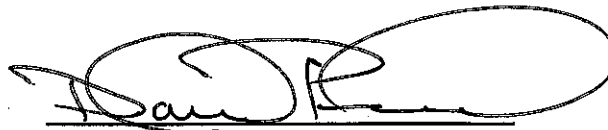
Marty Guindon made a motion to accept the peer reviews and off-site requests as discussed in executive session. Holly Brunick seconded the motion. A roll call vote was taken. The motion unanimously carried. (Budahl -yea; Guindon.-yea; Smith-yea; Brunick-yea; Pummel-yea)

FUTURE MEETING DATES (all times CT)

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

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

All business having come before the board was concluded and Chair David Pummel adjourned the meeting at 9:41 a.m.



David Pummel, CPA, Chair

Attest: 

Nicole Kasin, Executive Director



Jeff Smith, Sec/Treasurer

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES
BOARD COPY**

Issued Through March 17, 2017

Number	Name	Date Issued	Location
3306	Jason Cal Jeremiason	01/19/17	Sioux Falls, SD
3307	Rachel Marie Heeney	01/26/17	Lincoln, NE
3308	Victoria Francine Dubbelde	01/30/17	Brookings, SD
3309	Kayla Marie Cuperus	01/04/17	Sioux Falls, SD
3310	Jared Milne Stearns	02/10/17	Vermillion, SD
3311	Amanda Jo Littlejohn	02/22/17	Aberdeen, SD
3312	Megan D. Dix	02/23/17	Aberdeen, SD
3313	Kacey Susan Eggink	02/23/17	Chicago, IL
3314	Ryan Peter Schad	03/03/17	Rapid City, SD
3315	Shelby Mae Hogue	03/07/17	Sioux Falls, SD
3316	Austin Duane Ridl	03/16/17	Sioux Falls, SD

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

**Issued Through
March 17, 2017**

Number	Name	Date Issued	Basis/Comments
1687	Aprio, LLP Atlanta, GA	02/14/17	Name Change
1688	Jill Whitley, CPA Hartford, SD	03/15/17	New Firm

BAL409R1

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 01/31/2017

PAGE

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	456,408.58	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			456,408.58	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			456,408.58	DR **	
BUDGET UNIT TOTAL 1031			456,408.58	DR ***	

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 01/31/2017

AGENCY BUDGET CENTER-5	UNIT 10310	LABOR & REGULATION 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				CGEX161229	01/04/2017					2,338.86	DR
6503	103100061802	51010100				CGEX170111	01/13/2017					2,208.73	DR
OBSJUB: 5101010 F-T EMP SAL & WAGES													
6503	103100061802	51010200				CGEX161229	01/04/2017					4,547.59	DR
6503	103100061802	51010200				CGEX170111	01/13/2017					951.38	DR
OBSJUB: 5101010 F-T EMP SAL & WAGES													
OBSJUB: 5101020 P-T/TEMP EMP SAL & WAGES													
OBJECT: 5101 EMPLOYEE SALARIES													
6503	103100061802	51020100				CGEX161229	01/04/2017					6,413.14	DR
6503	103100061802	51020100				CGEX170111	01/13/2017					218.30	DR
OBSJUB: 5102010 OASI-EMPLOYER'S SHARE													
6503	103100061802	51020200				CGEX161229	01/04/2017					423.57	DR
6503	103100061802	51020200				CGEX170111	01/13/2017					197.43	DR
OBSJUB: 5102020 RETIREMENT-ER SHARE													
6503	103100061802	51020600				CGEX161229	01/04/2017					384.79	DR
6503	103100061802	51020600				CGEX170111	01/13/2017					711.73	DR
OBSJUB: 5102060 HEALTH/LIFE INS.-ER SHARE													
6503	103100061802	51020800				CGEX161229	01/04/2017					1,433.02	DR
6503	103100061802	51020800				CGEX170111	01/13/2017					3.93	DR
OBSJUB: 5102080 WORKER'S COMPENSATION													
6503	103100061802	51020900				CGEX161229	01/04/2017					7.65	DR
6503	103100061802	51020900				CGEX170111	01/13/2017					1.25	DR
OBSJUB: 5102090 UNEMPLOYMENT COMPENSATION													
OBJECT: 5102 EMPLOYEE BENEFITS													
GROUP: 51 PERSONAL SERVICES													
6503	103100061802	52041800				DP712101	02/03/2017					2,251.52	DR
OBSJUB: 5204180 COMPUTER SERVICES-STATE													
6503	103100061802	52042000				PL712055	01/20/2017					200.21	DR
6503	103100061802	52042000				RM712048	01/18/2017					73.92	DR
OBSJUB: 5204200 CENTRAL SERVICES													
6503	103100061802	52042200				IN357705	01/18/2017					274.13	DR
OBSJUB: 5204220 EQUIPMENT SERV & MAINT													
6503	103100061802	52042300				17-018 JUL-JUN17	01/26/2017					74.98	DR
OBSJUB: 5204230 JANITORIAL & MAINT SERV													
6503	103100061802	52044900				ACCOUNTMENT2017	02/01/2017					130.34	DR
OBSJUB: 5204490 ACCOUNTMENT2017													

South Dakota Board of Accountancy
Balance Sheet
As of January 31, 2017

	Jan 31, 17
ASSETS	
Current Assets	
Checking/Savings	
1130000 · Local Checking - Great Western	384.53
1140000 · Pool Cash State of SD	456,408.58
Total Checking/Savings	456,793.11
Other Current Assets	
1131000 · Interest Income Receivable	8,148.45
1213000 · Investment Income Receivable	1,149.12
Total Other Current Assets	9,297.57
Total Current Assets	466,090.68
Fixed Assets	
1670000 · Computer Software	
Original Cost	140,063.23
1770000 · Depreciation	-140,063.23
1670000 · Computer Software - Other	15,301.00
Total 1670000 · Computer Software	15,301.00
Total Fixed Assets	15,301.00
TOTAL ASSETS	481,391.68
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	13,187.08
Total Accounts Payable	13,187.08
Other Current Liabilities	
2430000 · Accrued Wages Payable	7,530.77
2810000 · Amounts Held for Others	24,278.29
Total Other Current Liabilities	31,809.06
Total Current Liabilities	44,996.14
Long Term Liabilities	
2960000 · Compensated Absences Payable	17,470.51
Total Long Term Liabilities	17,470.51
Total Liabilities	62,466.65
Equity	
3220000 · Unrestricted Net Assets	317,825.02
Net Income	101,100.01
Total Equity	418,925.03
TOTAL LIABILITIES & EQUITY	481,391.68

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July 2016 through January 2017

	Jul '16 - Jan 17	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	2,225.00	2,800.00	-575.00	79.5%
4293551 · Certificate Renewals-Active	59,440.00	58,000.00	1,440.00	102.5%
4293552 · Certificate Renewals-Inactive	19,700.00	21,000.00	-1,300.00	93.8%
4293553 · Certificate Renewals-Retired	1,200.00	1,000.00	200.00	120.0%
4293554 · Initial Firm Permits	550.00	700.00	-150.00	78.6%
4293555 · Firm Permit Renewals	13,500.00	15,500.00	-2,000.00	87.1%
4293557 · Initial Audit	330.00	900.00	-570.00	36.7%
4293558 · Re-Exam Audit	1,380.00	2,460.00	-1,080.00	56.1%
4293560 · Late Fees-Initial Certificate	100.00	0.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,650.00	3,000.00	-350.00	88.3%
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	400.00	600.00	-200.00	66.7%
4293564 · Late Fees-Peer Review	650.00	1,300.00	-650.00	50.0%
4293566 · Firm Permit Owners				
5208003 · REFUNDS	-20.00			
4293566 · Firm Permit Owners - Other	104,600.00	105,000.00	-400.00	99.6%
Total 4293566 · Firm Permit Owners	104,580.00	105,000.00	-420.00	99.6%
4293567 · Peer Review Admin Fee	975.00	5,650.00	-4,675.00	17.3%
4293568 · Firm Permit Name Change	200.00	100.00	100.00	200.0%
4293569 · Initial FAR	660.00	1,140.00	-480.00	57.9%
4293570 · Initial REG	510.00	660.00	-150.00	77.3%
4293571 · Initial BEC	750.00	930.00	-180.00	80.8%
4293572 · Re-Exam FAR	1,050.00	1,860.00	-810.00	56.5%
4293573 · Re-Exam REG	1,530.00	2,310.00	-780.00	66.2%
4293574 · Re-Exam BEC	1,230.00	2,310.00	-1,080.00	53.2%
4491000 · Interest and Dividend Revenue	5,466.12	4,000.00	1,466.12	136.7%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
Total Income	219,076.12	232,220.00	-13,143.88	94.3%
Gross Profit	219,076.12	232,220.00	-13,143.88	94.3%
Expense				
5101010 · F-T Emp Sal & Wages	33,248.64	76,588.00	-43,339.36	43.4%
5101020 · P-T/Temp Emp Sal & Wages	13,621.69	31,035.00	-17,413.31	43.9%
5101030 · Board & Comm Mbrs Fees	3,120.00	4,683.00	-1,563.00	66.6%
5102010 · OASI-Employer's Share	3,405.98	8,281.00	-4,875.02	41.1%
5102020 · Retirement-ER Share	2,812.21	6,495.00	-3,682.79	43.3%
5102060 · Health /Life Ins.-ER Share	10,044.54	20,968.00	-10,923.46	47.9%
5102080 · Worker's Compensation	56.13	43.00	13.13	130.5%
5102090 · Unemployment Insurance	18.17	108.00	-89.83	16.8%
5203010 · Auto--State Owned	111.55	800.00	-688.45	13.9%
5203020 · Auto-Private-Ownes Low Mileage	364.78	400.00	-35.22	91.2%
5203030 · In State-Auto- Priv. High Miles	881.16	1,500.00	-618.84	58.7%
5203100 · In State-Lodging	564.10	1,000.00	-435.90	56.4%
5203120 · In State-Incidentals to Travel	25.00	100.00	-75.00	25.0%
5203140 · InState-Tax Meals Not Overnigt	11.00	100.00	-89.00	11.0%
5203150 · InState-Non-Tax Meals OverNight	240.00	400.00	-160.00	60.0%
5203230 · OS-Auto Private High Mileage	335.16	100.00	235.16	335.2%
5203260 · OS-Air Commercial Carrier	4,291.90	6,000.00	-1,708.10	71.5%
5203280 · OS-Other Public Carrier	432.10	500.00	-67.90	86.4%
5203300 · OS-Lodging	5,856.27	7,800.00	-1,943.73	75.1%
5203320 · OS-Incidentals to Travel	329.00	450.00	-121.00	73.1%
5203350 · OS-Non-Taxable Meals Overnight	551.00	1,300.00	-749.00	42.4%
5204010 · Subscriptions	259.83	1,000.00	-740.17	26.0%
5204020 · Dues and Membership Fees	3,200.00	3,900.00	-700.00	82.1%
5204030 · Legal Document Fees	0.00	300.00	-300.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	7,100.00	-7,100.00	0.0%
5204050 · Consultant Fees - Computer	0.00	15,000.00	-15,000.00	0.0%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	2,780.00	6,000.00	-3,220.00	46.3%
5204180 · Computer Services-State	2,809.80	6,000.00	-3,190.20	46.8%
5204181 · Computer Development Serv-State	0.00	5,000.00	-5,000.00	0.0%

South Dakota Board of Accountancy
Profit & Loss Budget vs. Actual
 July 2016 through January 2017

	Jul '16 - Jan 17	Budget	\$ Over Budget	% of Budget
5204200 · Central Services	4,001.06	9,000.00	-4,998.94	44.5%
5204220 · Equipment Service & Maintenance	23.56	300.00	-276.44	7.9%
5204230 · Janitorial/Maintenance Services	912.38	1,600.00	-687.62	57.0%
5204340 · Computer Software Maintenance	0.00	2,000.00	-2,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	1,000.00	-1,000.00	0.0%
5204440 · Newsletter Publishing	0.00	100.00	-100.00	0.0%
5204460 · Equipment Rental	1,703.00	4,000.00	-2,297.00	42.6%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	8,886.15	15,234.00	-6,347.85	58.3%
5204510 · Rent-Other	318.04	500.00	-181.96	63.6%
5204530 · Telecommunications Services	1,909.54	3,500.00	-1,590.46	54.6%
5204540 · Electricity	385.26	865.00	-479.74	44.5%
5204560 · Water	67.05	240.00	-172.95	27.9%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204740 · Bank Fees and Charges	4,573.90	6,000.00	-1,426.10	76.2%
5204960 · Other Contractual Services	456.00	0.00	456.00	100.0%
5205020 · Office Supplies	628.39	2,000.00	-1,371.61	31.4%
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	151.80	1,000.00	-848.20	15.2%
5205330 · Supplemental Publications	0.00	700.00	-700.00	0.0%
5205340 · Microfilm Supplies/Materials	0.00	0.00	0.00	0.0%
5205350 · Postage	1,036.17	2,500.00	-1,463.83	41.4%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207900 · Computer Hardware	0.00	4,800.00	-4,800.00	0.0%
5207950 · System Development	0.00	1,000.00	-1,000.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	224.13	500.00	-275.87	44.8%
5228000 · Operating Transfers Out-NonBudg	3,329.67	7,400.00	-4,070.33	45.0%
Total Expense	117,976.11	280,000.00	-162,023.89	42.1%
Net Ordinary Income	101,100.01	-47,780.00	148,880.01	-211.6%
Net Income	101,100.01	-47,780.00	148,880.01	-211.6%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
January 2017

	Jan 17	Jan 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	225.00	100.00	125.00	125.0%
4293551 · Certificate Renewals-Active	40.00	0.00	40.00	100.0%
4293552 · Certificate Renewals-Inactive	0.00	50.00	-50.00	-100.0%
4293554 · Initial Firm Permits	50.00	0.00	50.00	100.0%
4293555 · Firm Permit Renewals	0.00	50.00	-50.00	-100.0%
4293557 · Initial Audit	120.00	60.00	60.00	100.0%
4293558 · Re-Exam Audit	150.00	150.00	0.00	0.0%
4293561 · Late Fees-Certificate Renewals	0.00	50.00	-50.00	-100.0%
4293564 · Late Fees-Peer Review	300.00	0.00	300.00	100.0%
4293566 · Firm Permit Owners	65.00	1,000.00	-935.00	-93.5%
4293567 · Peer Review Admin Fee	600.00	300.00	300.00	100.0%
4293568 · Firm Permit Name Change	50.00	0.00	50.00	100.0%
4293569 · Initial FAR	180.00	30.00	150.00	500.0%
4293570 · Initial REG	150.00	180.00	-30.00	-16.7%
4293571 · Initial BEC	210.00	30.00	180.00	600.0%
4293572 · Re-Exam FAR	60.00	90.00	-30.00	-33.3%
4293573 · Re-Exam REG	180.00	30.00	150.00	500.0%
4293574 · Re-Exam BEC	120.00	150.00	-30.00	-20.0%
Total Income	2,500.00	2,270.00	230.00	10.1%
Gross Profit	2,500.00	2,270.00	230.00	10.1%
Expense				
5101010 · F-T Emp Sal & Wages	4,547.59	5,010.02	-462.43	-9.2%
5101020 · P-T/Temp Emp Sal & Wages	1,865.55	2,280.13	-414.58	-18.2%
5101030 · Board & Comm Mbrs Fees	0.00	300.00	-300.00	-100.0%
5102010 · OASI-Employer's Share	423.57	509.21	-85.64	-16.8%
5102020 · Retirement-ER Share	384.79	437.38	-52.59	-12.0%
5102060 · Health /Life Ins.-ER Share	1,433.02	1,164.34	268.68	23.1%
5102080 · Worker's Compensation	7.65	5.85	1.80	30.8%
5102090 · Unemployment Insurance	2.49	2.80	-0.31	-11.1%
5204180 · Computer Services-State	0.00	281.65	-281.65	-100.0%
5204200 · Central Services	274.13	170.86	103.27	60.4%
5204220 · Equipment Service & Maintenance	3.98	2.17	1.81	83.4%
5204230 · Janitorial/Maintenance Services	130.34	126.55	3.79	3.0%
5204460 · Equipment Rental	71.00	71.00	0.00	0.0%
5204490 · Rents Privately Owned Property	1,269.45	1,269.45	0.00	0.0%
5204530 · Telecommunications Services	271.99	374.54	-102.55	-27.4%
5204540 · Electricity	68.94	62.05	6.89	11.1%
5204560 · Water	22.35	22.35	0.00	0.0%
5204740 · Bank Fees and Charges	84.39	138.63	-54.24	-39.1%
5205020 · Office Supplies	115.76	0.00	115.76	100.0%
5205320 · Printing/Duplicating/Binding Co	37.95	27.60	10.35	37.5%
5207960 · Computer Software Expense	224.13	144.00	80.13	55.7%
5228000 · Operating Transfers Out-NonBudg	498.23	344.91	153.32	44.5%
Total Expense	11,737.30	12,745.49	-1,008.19	-7.9%
Net Ordinary Income	-9,237.30	-10,475.49	1,238.19	11.8%
Net Income	-9,237.30	-10,475.49	1,238.19	11.8%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
 July 2016 through January 2017

	Jul '16 - Jan 17	Jul '15 - Jan 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	2,225.00	1,375.00	850.00	61.8%
4293551 · Certificate Renewals-Active	59,440.00	60,200.00	-760.00	-1.3%
4293552 · Certificate Renewals-Inactive	19,700.00	20,100.00	-400.00	-2.0%
4293553 · Certificate Renewals-Retired	1,200.00	1,040.00	160.00	15.4%
4293554 · Initial Firm Permits	550.00	150.00	400.00	266.7%
4293555 · Firm Permit Renewals	13,500.00	13,700.00	-200.00	-1.5%
4293557 · Initial Audit	330.00	450.00	-120.00	-26.7%
4293558 · Re-Exam Audit	1,380.00	1,320.00	60.00	4.6%
4293560 · Late Fees-Initial Certificate	100.00	0.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,650.00	2,950.00	-300.00	-10.2%
4293563 · Late Fees-Firm Permit Renewals	400.00	400.00	0.00	0.0%
4293564 · Late Fees-Peer Review	650.00	350.00	300.00	85.7%
4293566 · Firm Permit Owners	104,580.00	94,585.00	9,995.00	10.6%
4293567 · Peer Review Admin Fee	975.00	675.00	300.00	44.4%
4293568 · Firm Permit Name Change	200.00	100.00	100.00	100.0%
4293569 · Initial FAR	660.00	480.00	180.00	37.5%
4293570 · Initial REG	510.00	420.00	90.00	21.4%
4293571 · Initial BEC	750.00	330.00	420.00	127.3%
4293572 · Re-Exam FAR	1,050.00	1,050.00	0.00	0.0%
4293573 · Re-Exam REG	1,530.00	1,350.00	180.00	13.3%
4293574 · Re-Exam BEC	1,230.00	1,290.00	-60.00	-4.7%
4491000 · Interest and Dividend Revenue	5,466.12	4,714.96	751.16	15.9%
4896021 · Legal Recovery Cost	0.00	200.00	-200.00	-100.0%
Total Income	219,076.12	207,229.96	11,846.16	5.7%
Gross Profit	219,076.12	207,229.96	11,846.16	5.7%
Expense				
5101010 · F-T Emp Sal & Wages	33,248.64	32,751.16	497.48	1.5%
5101020 · P-T/Temp Emp Sal & Wages	13,621.69	14,316.50	-694.81	-4.9%
5101030 · Board & Comm Mbrs Fees	3,120.00	2,340.00	780.00	33.3%
5102010 · OASI-Employer's Share	3,405.98	3,388.23	17.75	0.5%
5102020 · Retirement-ER Share	2,812.21	2,805.55	6.66	0.2%
5102060 · Health /Life Ins.-ER Share	10,044.54	8,791.63	1,252.91	14.3%
5102080 · Worker's Compensation	56.13	37.57	18.56	49.4%
5102090 · Unemployment Insurance	18.17	18.32	-0.15	-0.8%
5203010 · Auto--State Owned	111.55	78.65	32.90	41.8%
5203020 · Auto-Private-Ownes Low Mileage	364.78	103.96	260.82	250.9%
5203030 · In State-Auto- Priv. High Miles	881.16	1,108.80	-227.64	-20.5%
5203100 · In State-Lodging	564.10	319.60	244.50	76.5%
5203120 · In State-Incidentals to Travel	25.00	20.00	5.00	25.0%
5203140 · InState-Tax Meals Not OverNigt	11.00	11.00	0.00	0.0%
5203150 · InState-Non-Tax Meals OverNigt	240.00	268.00	-28.00	-10.5%
5203230 · OS-Auto Private High Mileage	335.16	0.00	335.16	100.0%
5203260 · OS-Air Commercial Carrier	4,291.90	1,190.40	3,101.50	260.5%
5203280 · OS-Other Public Carrier	432.10	124.00	308.10	248.5%
5203300 · OS-Lodging	5,856.27	1,730.46	4,125.81	238.4%
5203320 · OS-Incidentals to Travel	329.00	158.00	171.00	108.2%
5203350 · OS-Non-Taxable Meals Overnight	551.00	234.00	317.00	135.5%
5204010 · Subscriptions	259.83	208.98	50.85	24.3%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204050 · Consultant Fees - Computer	0.00	10,607.50	-10,607.50	-100.0%
5204160 · Workshop Registration Fees	2,780.00	1,390.00	1,390.00	100.0%
5204180 · Computer Services-State	2,809.80	910.45	1,899.35	208.6%
5204181 · Computer Development Serv-State	0.00	1,312.85	-1,312.85	-100.0%
5204200 · Central Services	4,001.06	3,603.10	397.96	11.0%
5204220 · Equipment Service & Maintenance	23.56	15.43	8.13	52.7%
5204230 · Janitorial/Maintenance Services	912.38	885.85	26.53	3.0%
5204340 · Computer Software Maintenance	0.00	614.50	-614.50	-100.0%
5204460 · Equipment Rental	1,703.00	1,703.00	0.00	0.0%
5204490 · Rents Privately Owned Property	8,886.15	8,886.15	0.00	0.0%
5204510 · Rent-Other	318.04	248.80	69.24	27.8%
5204530 · Telecommunications Services	1,909.54	1,998.66	-89.12	-4.5%
5204540 · Electricity	385.26	318.97	66.29	20.8%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
July 2016 through January 2017

	Jul '16 - Jan 17	Jul '15 - Jan 16	\$ Change	% Change
5204560 · Water	67.05	67.05	0.00	0.0%
5204740 · Bank Fees and Charges	4,573.90	4,273.76	300.14	7.0%
5204960 · Other Contractual Services	456.00	0.00	456.00	100.0%
5205020 · Office Supplies	628.39	620.29	8.10	1.3%
5205320 · Printing/Duplicating/Binding Co	151.80	127.65	24.15	18.9%
5205350 · Postage	1,036.17	0.00	1,036.17	100.0%
5207900 · Computer Hardware	0.00	2,783.12	-2,783.12	-100.0%
5207960 · Computer Software Expense	224.13	960.00	-735.87	-76.7%
5228000 · Operating Transfers Out-NonBudg	3,329.67	2,313.87	1,015.80	43.9%
Total Expense	117,976.11	116,845.81	1,130.30	1.0%
Net Ordinary Income	101,100.01	90,384.15	10,715.86	11.9%
Net Income	101,100.01	90,384.15	10,715.86	11.9%

BA1409R1

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 02/28/2017

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	1031000061802	1140000	432,881.44	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			432,881.44	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			432,881.44	DR **	
BUDGET UNIT TOTAL 1031			432,881.44	DR ***	

AGENCY BUDGET CENTER	UNIT	LABOR & REGULATION BOARD OF ACCOUNTANCY	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPVL OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
10310	10310	BOARD OF ACCOUNTANCY	6503								
COMPANY NO 6503											
COMPANY NAME PROFESSIONAL & LICENSING BOARDS											
6503	1031000061802	51010100		CGEX170126	02/01/2017					2,477.91	DR
6503	1031000061802	51010100		CGEX170213	02/17/2017					2,792.80	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES											
6503	1031000061802	51010200		CGEX170126	02/01/2017					5,270.71	DR
6503	1031000061802	51010200		CGEX170213	02/17/2017					1,032.28	DR
OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES											
6503	1031000061802	51010300		CGEX170126	02/01/2017					2,069.41	DR
OBJSUB: 5101030 BOARD & COMM MBRS FEES											
6503	1031000061802	51020100		CGEX170126	02/01/2017					7,580.12	DR
6503	1031000061802	51020100		CGEX170213	02/17/2017					253.42	DR
OBJSUB: 5102010 OASI-EMPLOYER'S SHARE											
6503	1031000061802	51020200		CGEX170126	02/01/2017					511.88	DR
6503	1031000061802	51020200		CGEX170213	02/17/2017					210.90	DR
OBJSUB: 5102020 RETIREMENT-ER SHARE											
6503	1031000061802	51020600		CGEX170126	02/01/2017					440.40	DR
6503	1031000061802	51020600		CGEX170213	02/17/2017					729.79	DR
OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE											
6503	1031000061802	51020800		CGEX170126	02/01/2017					1,474.06	DR
6503	1031000061802	51020800		CGEX170213	02/17/2017					4.58	DR
OBJSUB: 5102080 WORKER'S COMPENSATION											
6503	1031000061802	51020900		CGEX170126	02/01/2017					8.79	DR
6503	1031000061802	51020900		CGEX170213	02/17/2017					1.36	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION											
6503	1031000061802	51102000		CGEX170126	02/01/2017					1.48	DR
OBJSUB: 5110200 EMPLOYER BENEFITS											
6503	1031000061802	52041600		ORDER-06835	02/24/2017	00386765	NATLASSNST	12005047		2.84	DR
6503	1031000061802	52041600		ORDER-06836	02/23/2017	00386381	NATLASSNST	12005047		2,437.97	DR
OBJSUB: 5204160 WORKSHOP REGISTRATION FEE											
6503	1031000061802	52041800		DP/01102	03/01/2017					106.05	DR
OBJSUB: 5204180 COMPUTER SERVICES-STATE											
6503	1031000061802	52042000		PL/01059	03/01/2017					106.05	DR
OBJSUB: 5204200 CENTRAL SERVICES											
6503	1031000061802	52042200		IN366250	02/10/2017	00383246	ABBUSINESS	12036980		62.90	DR
OBJSUB: 52042200 CENTRAL SERVICES											

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 02/28/2017

AGENCY BUDGET CENTER	UNIT	LABOR & REGULATION BOARD OF ACCOUNTANCY	BOARD OF ACCOUNTANCY CENTER-5	10310	10310	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPVL OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
6503	1031000061802	5204220	EQUIPMENT SERV & MAINT	17-018	JUL-JUN17	03/01/2017	00387013	SUNSETOFF1	12043890				73.25	DR *
6503	1031000061802	5204230	JANITORIAL & MAINT SERV			03/01/2017	02195473	MCGINNISRO	12074040				130.34	DR *
6503	1031000061802	5204490	RENTS-PRIVATE OWNED PROP.			03/01/2017	00381885	MIDCONTINE	12023782				1,269.45	DR *
6503	1031000061802	5204530	TELECOMMUNICATIONS SRVCS			02/08/2017	00382953	ATTMOBILIT	12279233				115.77	DR *
6503	1031000061802	5204530	ELECTRICITY			02/10/2017	02193358	XCELENERGY	12023853				100.00	DR *
6503	1031000061802	5204560	WATER			02/23/2017	287745						56.18	DR *
6503	1031000061802	5204560	BANK FEES AND CHARGES			02/24/2017	00386765	NATLASSNST	12005047				271.95	DR *
6503	1031000061802	5204960	OTHER CONTRACTUAL SERVICE			02/10/2017	00383512	PREFERRDP	12308425				68.94	DR *
6503	1031000061802	5205320	PRINTING-COMMERCIAL SUPPLIES & MATERIALS			02/17/2017							22.35	DR *
6503	1031000061802	5228000	OPER TRANS OUT -NON BUDGT										72.74	DR *
			NONOP EXP/NONEGTD OP TR										6,553.75	DR *
			OPERATING EXPENSES										10,021.72	DR **
													37.95	DR **
													37.95	DR **
													452.29	DR **
													452.29	DR **
													10,511.96	DR ***
													20,530.05	DR ***
													20,530.05	DR *****
													20,530.05	DR *****

South Dakota Board of Accountancy
Balance Sheet
As of February 28, 2017

	Feb 28, 17
ASSETS	
Current Assets	
Checking/Savings	
1130000 · Local Checking - Great Western	2,445.58
1140000 · Pool Cash State of SD	432,881.44
Total Checking/Savings	435,327.02
Other Current Assets	
1131000 · Interest Income Receivable	8,148.45
1213000 · Investment Income Receivable	1,149.12
Total Other Current Assets	9,297.57
Total Current Assets	444,624.59
Fixed Assets	
1670000 · Computer Software	
Original Cost	140,063.23
1770000 · Depreciation	-140,063.23
1670000 · Computer Software - Other	15,301.00
Total 1670000 · Computer Software	15,301.00
Total Fixed Assets	15,301.00
TOTAL ASSETS	459,925.59
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	445.13
Total Accounts Payable	445.13
Other Current Liabilities	
2430000 · Accrued Wages Payable	7,530.77
2810000 · Amounts Held for Others	28,957.09
Total Other Current Liabilities	36,487.86
Total Current Liabilities	36,932.99
Long Term Liabilities	
2960000 · Compensated Absences Payable	17,470.51
Total Long Term Liabilities	17,470.51
Total Liabilities	54,403.50
Equity	
3220000 · Unrestricted Net Assets	317,825.02
Net Income	87,697.07
Total Equity	405,522.09
TOTAL LIABILITIES & EQUITY	459,925.59

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July 2016 through February 2017

	Jul '16 - Feb 17	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	2,400.00	2,800.00	-400.00	85.7%
4293551 · Certificate Renewals-Active	59,530.00	58,000.00	1,530.00	102.6%
4293552 · Certificate Renewals-Inactive	19,700.00	21,000.00	-1,300.00	93.8%
4293553 · Certificate Renewals-Retired	1,200.00	1,000.00	200.00	120.0%
4293554 · Initial Firm Permits	550.00	700.00	-150.00	78.6%
4293555 · Firm Permit Renewals	13,500.00	15,500.00	-2,000.00	87.1%
4293557 · Initial Audit	330.00	900.00	-570.00	36.7%
4293558 · Re-Exam Audit	1,470.00	2,460.00	-990.00	59.8%
4293560 · Late Fees-Initial Certificate	100.00	0.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,700.00	3,000.00	-300.00	90.0%
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	400.00	600.00	-200.00	66.7%
4293564 · Late Fees-Peer Review	650.00	1,300.00	-650.00	50.0%
4293566 · Firm Permit Owners				
5208003 · REFUNDS	-20.00			
4293566 · Firm Permit Owners - Other	104,600.00	105,000.00	-400.00	99.6%
Total 4293566 · Firm Permit Owners	104,580.00	105,000.00	-420.00	99.6%
4293567 · Peer Review Admin Fee	975.00	5,650.00	-4,675.00	17.3%
4293568 · Firm Permit Name Change	225.00	100.00	125.00	225.0%
4293569 · Initial FAR	720.00	1,140.00	-420.00	63.2%
4293570 · Initial REG	510.00	660.00	-150.00	77.3%
4293571 · Initial BEC	810.00	930.00	-120.00	87.1%
4293572 · Re-Exam FAR	1,260.00	1,860.00	-600.00	67.7%
4293573 · Re-Exam REG	1,650.00	2,310.00	-660.00	71.4%
4293574 · Re-Exam BEC	1,470.00	2,310.00	-840.00	63.6%
4491000 · Interest and Dividend Revenue	5,466.12	4,000.00	1,466.12	136.7%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
Total Income	220,196.12	232,220.00	-12,023.88	94.8%
Gross Profit	220,196.12	232,220.00	-12,023.88	94.8%
Expense				
5101010 · F-T Emp Sal & Wages	38,519.35	76,588.00	-38,068.65	50.3%
5101020 · P-T/Temp Emp Sal & Wages	15,691.10	31,035.00	-15,343.90	50.6%
5101030 · Board & Comm Mbrs Fees	3,360.00	4,683.00	-1,323.00	71.7%
5102010 · OASI-Employer's Share	3,917.86	8,281.00	-4,363.14	47.3%
5102020 · Retirement-ER Share	3,252.61	6,495.00	-3,242.39	50.1%
5102060 · Health /Life Ins.-ER Share	11,518.60	20,968.00	-9,449.40	54.9%
5102080 · Worker's Compensation	64.92	43.00	21.92	151.0%
5102090 · Unemployment Insurance	21.01	108.00	-86.99	19.5%
5203010 · Auto--State Owned	111.55	800.00	-688.45	13.9%
5203020 · Auto-Private-Ownes Low Mileage	364.78	400.00	-35.22	91.2%
5203030 · In State-Auto- Priv. High Miles	881.16	1,500.00	-618.84	58.7%
5203100 · In State-Lodging	564.10	1,000.00	-435.90	56.4%
5203120 · In State-Incidentals to Travel	25.00	100.00	-75.00	25.0%
5203140 · InState-Tax Meals Not Overnigt	11.00	100.00	-89.00	11.0%
5203150 · InState-Non-Tax Meals OverNight	240.00	400.00	-160.00	60.0%
5203230 · OS-Auto Private High Mileage	335.16	100.00	235.16	335.2%
5203260 · OS-Air Commercial Carrier	4,291.90	6,000.00	-1,708.10	71.5%
5203280 · OS-Other Public Carrier	432.10	500.00	-67.90	86.4%
5203300 · OS-Lodging	5,856.27	7,800.00	-1,943.73	75.1%
5203320 · OS-Incidentals to Travel	329.00	450.00	-121.00	73.1%
5203350 · OS-Non-Taxable Meals Overnight	551.00	1,300.00	-749.00	42.4%
5204010 · Subscriptions	259.83	1,000.00	-740.17	26.0%
5204020 · Dues and Membership Fees	3,200.00	3,900.00	-700.00	82.1%
5204030 · Legal Document Fees	0.00	300.00	-300.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	7,100.00	-7,100.00	0.0%
5204050 · Consultant Fees - Computer	0.00	15,000.00	-15,000.00	0.0%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	4,170.00	6,000.00	-1,830.00	69.5%
5204180 · Computer Services-State	2,915.85	6,000.00	-3,084.15	48.6%
5204181 · Computer Development Serv-State	0.00	5,000.00	-5,000.00	0.0%

South Dakota Board of Accountancy
Profit & Loss Budget vs. Actual
 July 2016 through February 2017

	Jul '16 - Feb 17	Budget	\$ Over Budget	% of Budget
5204200 · Central Services	4,063.96	9,000.00	-4,936.04	45.2%
5204220 · Equipment Service & Maintenance	25.81	300.00	-274.19	8.6%
5204230 · Janitorial/Maintenance Services	1,042.72	1,600.00	-557.28	65.2%
5204340 · Computer Software Maintenance	0.00	2,000.00	-2,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	1,000.00	-1,000.00	0.0%
5204440 · Newsletter Publishing	0.00	100.00	-100.00	0.0%
5204460 · Equipment Rental	2,377.00	4,000.00	-1,623.00	59.4%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	10,155.60	15,234.00	-5,078.40	66.7%
5204510 · Rent-Other	318.04	500.00	-181.96	63.6%
5204530 · Telecommunications Services	2,187.46	3,500.00	-1,312.54	62.5%
5204540 · Electricity	452.17	865.00	-412.83	52.3%
5204560 · Water	67.05	240.00	-172.95	27.9%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204740 · Bank Fees and Charges	4,646.64	6,000.00	-1,353.36	77.4%
5204960 · Other Contractual Services	456.00	0.00	456.00	100.0%
5205020 · Office Supplies	628.39	2,000.00	-1,371.61	31.4%
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	151.80	1,000.00	-848.20	15.2%
5205330 · Supplemental Publications	0.00	700.00	-700.00	0.0%
5205340 · Microfilm Supplies/Materials	0.00	0.00	0.00	0.0%
5205350 · Postage	1,036.17	2,500.00	-1,463.83	41.4%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207900 · Computer Hardware	0.00	4,800.00	-4,800.00	0.0%
5207950 · System Development	0.00	1,000.00	-1,000.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	224.13	500.00	-275.87	44.8%
5228000 · Operating Transfers Out-NonBudg	3,781.96	7,400.00	-3,618.04	51.1%
Total Expense	132,499.05	280,000.00	-147,500.95	47.3%
Net Ordinary Income	87,697.07	-47,780.00	135,477.07	-183.5%
Net Income	87,697.07	-47,780.00	135,477.07	-183.5%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
February 2017

	Feb 17	Feb 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	175.00	100.00	75.00	75.0%
4293551 · Certificate Renewals-Active	90.00	0.00	90.00	100.0%
4293554 · Initial Firm Permits	0.00	100.00	-100.00	-100.0%
4293557 · Initial Audit	0.00	150.00	-150.00	-100.0%
4293558 · Re-Exam Audit	90.00	120.00	-30.00	-25.0%
4293561 · Late Fees-Certificate Renewals	50.00	0.00	50.00	100.0%
4293564 · Late Fees-Peer Review	0.00	50.00	-50.00	-100.0%
4293566 · Firm Permit Owners	0.00	650.00	-650.00	-100.0%
4293567 · Peer Review Admin Fee	0.00	75.00	-75.00	-100.0%
4293568 · Firm Permit Name Change	25.00	0.00	25.00	100.0%
4293569 · Initial FAR	60.00	120.00	-60.00	-50.0%
4293570 · Initial REG	0.00	180.00	-180.00	-100.0%
4293571 · Initial BEC	60.00	150.00	-90.00	-60.0%
4293572 · Re-Exam FAR	210.00	90.00	120.00	133.3%
4293573 · Re-Exam REG	120.00	60.00	60.00	100.0%
4293574 · Re-Exam BEC	240.00	60.00	180.00	300.0%
Total Income	1,120.00	1,905.00	-785.00	-41.2%
Gross Profit	1,120.00	1,905.00	-785.00	-41.2%
Expense				
5101010 · F-T Emp Sal & Wages	5,270.71	4,545.41	725.30	16.0%
5101020 · P-T/Temp Emp Sal & Wages	2,069.41	1,826.00	243.41	13.3%
5101030 · Board & Comm Mbrs Fees	240.00	420.00	-180.00	-42.9%
5102010 · OASI-Employer's Share	511.88	448.06	63.82	14.2%
5102020 · Retirement-ER Share	440.40	382.31	58.09	15.2%
5102060 · Health /Life Ins.-ER Share	1,474.06	1,165.53	308.53	26.5%
5102080 · Worker's Compensation	8.79	5.10	3.69	72.4%
5102090 · Unemployment Insurance	2.84	2.48	0.36	14.5%
5204160 · Workshop Registration Fees	1,390.00	695.00	695.00	100.0%
5204180 · Computer Services-State	0.00	1,403.45	-1,403.45	-100.0%
5204200 · Central Services	62.90	1,130.68	-1,067.78	-94.4%
5204220 · Equipment Service & Maintenance	2.25	2.36	-0.11	-4.7%
5204230 · Janitorial/Maintenance Services	130.34	126.55	3.79	3.0%
5204460 · Equipment Rental	674.00	674.00	0.00	0.0%
5204490 · Rents Privately Owned Property	1,269.45	1,269.45	0.00	0.0%
5204530 · Telecommunications Services	277.92	401.04	-123.12	-30.7%
5204540 · Electricity	66.91	65.17	1.74	2.7%
5204560 · Water	0.00	22.35	-22.35	-100.0%
5204740 · Bank Fees and Charges	72.74	63.70	9.04	14.2%
5205020 · Office Supplies	0.00	164.66	-164.66	-100.0%
5207960 · Computer Software Expense	0.00	66.30	-66.30	-100.0%
5228000 · Operating Transfers Out-NonBudg	452.29	390.33	61.96	15.9%
Total Expense	14,416.89	15,269.93	-853.04	-5.6%
Net Ordinary Income	-13,296.89	-13,364.93	68.04	0.5%
Net Income	-13,296.89	-13,364.93	68.04	0.5%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
 July 2016 through February 2017

	Jul '16 - Feb 17	Jul '15 - Feb 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	2,400.00	1,475.00	925.00	62.7%
4293551 · Certificate Renewals-Active	59,530.00	60,200.00	-670.00	-1.1%
4293552 · Certificate Renewals-Inactive	19,700.00	20,100.00	-400.00	-2.0%
4293553 · Certificate Renewals-Retired	1,200.00	1,040.00	160.00	15.4%
4293554 · Initial Firm Permits	550.00	250.00	300.00	120.0%
4293555 · Firm Permit Renewals	13,500.00	13,700.00	-200.00	-1.5%
4293557 · Initial Audit	330.00	600.00	-270.00	-45.0%
4293558 · Re-Exam Audit	1,470.00	1,440.00	30.00	2.1%
4293560 · Late Fees-Initial Certificate	100.00	0.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,700.00	2,950.00	-250.00	-8.5%
4293563 · Late Fees-Firm Permit Renewals	400.00	400.00	0.00	0.0%
4293564 · Late Fees-Peer Review	650.00	400.00	250.00	62.5%
4293566 · Firm Permit Owners	104,580.00	95,235.00	9,345.00	9.8%
4293567 · Peer Review Admin Fee	975.00	750.00	225.00	30.0%
4293568 · Firm Permit Name Change	225.00	100.00	125.00	125.0%
4293569 · Initial FAR	720.00	600.00	120.00	20.0%
4293570 · Initial REG	510.00	600.00	-90.00	-15.0%
4293571 · Initial BEC	810.00	480.00	330.00	68.8%
4293572 · Re-Exam FAR	1,260.00	1,140.00	120.00	10.5%
4293573 · Re-Exam REG	1,650.00	1,410.00	240.00	17.0%
4293574 · Re-Exam BEC	1,470.00	1,350.00	120.00	8.9%
4491000 · Interest and Dividend Revenue	5,466.12	4,714.96	751.16	15.9%
4896021 · Legal Recovery Cost	0.00	200.00	-200.00	-100.0%
Total Income	220,196.12	209,134.96	11,061.16	5.3%
Gross Profit	220,196.12	209,134.96	11,061.16	5.3%
Expense				
5101010 · F-T Emp Sal & Wages	38,519.35	37,296.57	1,222.78	3.3%
5101020 · P-T/Temp Emp Sal & Wages	15,691.10	16,142.50	-451.40	-2.8%
5101030 · Board & Comm Mbrs Fees	3,360.00	2,760.00	600.00	21.7%
5102010 · OASI-Employer's Share	3,917.86	3,836.29	81.57	2.1%
5102020 · Retirement-ER Share	3,252.61	3,187.86	64.75	2.0%
5102060 · Health /Life Ins.-ER Share	11,518.60	9,957.16	1,561.44	15.7%
5102080 · Worker's Compensation	64.92	42.67	22.25	52.1%
5102090 · Unemployment Insurance	21.01	20.80	0.21	1.0%
5203010 · Auto--State Owned	111.55	78.65	32.90	41.8%
5203020 · Auto-Private-Ownes Low Mileage	364.78	103.96	260.82	250.9%
5203030 · In State-Auto- Priv. High Miles	881.16	1,108.80	-227.64	-20.5%
5203100 · In State-Lodging	564.10	319.60	244.50	76.5%
5203120 · In State-Incidentals to Travel	25.00	20.00	5.00	25.0%
5203140 · InState-Tax Meals Not OverNigt	11.00	11.00	0.00	0.0%
5203150 · InState-Non-Tax Meals OverNigt	240.00	268.00	-28.00	-10.5%
5203230 · OS-Auto Private High Mileage	335.16	0.00	335.16	100.0%
5203260 · OS-Air Commercial Carrier	4,291.90	1,190.40	3,101.50	260.5%
5203280 · OS-Other Public Carrier	432.10	124.00	308.10	248.5%
5203300 · OS-Lodging	5,856.27	1,730.46	4,125.81	238.4%
5203320 · OS-Incidentals to Travel	329.00	158.00	171.00	108.2%
5203350 · OS-Non-Taxable Meals Overnight	551.00	234.00	317.00	135.5%
5204010 · Subscriptions	259.83	208.98	50.85	24.3%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204050 · Consultant Fees - Computer	0.00	10,607.50	-10,607.50	-100.0%
5204160 · Workshop Registration Fees	4,170.00	2,085.00	2,085.00	100.0%
5204180 · Computer Services-State	2,915.85	2,313.90	601.95	26.0%
5204181 · Computer Development Serv-State	0.00	1,312.85	-1,312.85	-100.0%
5204200 · Central Services	4,063.96	4,733.78	-669.82	-14.2%
5204220 · Equipment Service & Maintenance	25.81	17.79	8.02	45.1%
5204230 · Janitorial/Maintenance Services	1,042.72	1,012.40	30.32	3.0%
5204340 · Computer Software Maintenance	0.00	614.50	-614.50	-100.0%
5204460 · Equipment Rental	2,377.00	2,377.00	0.00	0.0%
5204490 · Rents Privately Owned Property	10,155.60	10,155.60	0.00	0.0%
5204510 · Rent-Other	318.04	248.80	69.24	27.8%
5204530 · Telecommunications Services	2,187.46	2,399.70	-212.24	-8.8%
5204540 · Electricity	452.17	384.14	68.03	17.7%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
July 2016 through February 2017

	<u>Jul '16 - Feb 17</u>	<u>Jul '15 - Feb 16</u>	<u>\$ Change</u>	<u>% Change</u>
5204560 · Water	67.05	89.40	-22.35	-25.0%
5204740 · Bank Fees and Charges	4,646.64	4,337.46	309.18	7.1%
5204960 · Other Contractual Services	456.00	0.00	456.00	100.0%
5205020 · Office Supplies	628.39	784.95	-156.56	-20.0%
5205320 · Printing/Duplicating/Binding Co	151.80	127.65	24.15	18.9%
5205350 · Postage	1,036.17	0.00	1,036.17	100.0%
5207900 · Computer Hardware	0.00	2,783.12	-2,783.12	-100.0%
5207960 · Computer Software Expense	224.13	1,026.30	-802.17	-78.2%
5228000 · Operating Transfers Out-NonBudg	3,781.96	2,704.20	1,077.76	39.9%
Total Expense	<u>132,499.05</u>	<u>132,115.74</u>	<u>383.31</u>	<u>0.3%</u>
Net Ordinary Income	<u>87,697.07</u>	<u>77,019.22</u>	<u>10,677.85</u>	<u>13.9%</u>
Net Income	<u><u>87,697.07</u></u>	<u><u>77,019.22</u></u>	<u><u>10,677.85</u></u>	<u><u>13.9%</u></u>

REPORT TO BOARD ON CPE REQUEST

An individual has submitted a book to be considered for CPE.

20:75:04:01. Standards for continuing professional education program measurement.

The following standards are used to measure the hours of continuing professional education credit:

(7) The board may grant credit for the writing of published articles, books, or CPE programs to include credit for research and writing time provided the board determines the activity maintains or improves professional competence. The article, book, or CPE program must be formally reviewed by an independent party. CPE credits should be claimed only upon publication. Not more than half the three-year continuing professional education credit required may be gained through publications;

20:75:04:05. Non-group continuing professional education program criteria. The non-group programs which qualify as acceptable continuing professional education programs if they meet the requirements of § 20:75:04:02 include the following:

(4) **Published articles, books, or continuing professional education programs.** A CPA or PA may be given credit for research and writing time upon determination by the board that the CPA's and PA's competency has been maintained or increased as a result of the activity.

20:75:04:02. General continuing professional education program criteria. To qualify as acceptable continuing professional education, a program must be a learning activity that contributes directly to the professional competence of a CPA or PA in the practice of accountancy. A CPA and PA performing professional services must have a broad range of knowledge, skills, and abilities. Acceptable continuing professional education encompasses programs contributing to the development and maintenance of both technical and nontechnical professional skills. A program that promotes professional competence in the practice of accountancy is defined as one that refers to the process, methods, or principles of accounting or directly relates to the CPA's and PA's employment and is above the level of the CPA's and PA's current knowledge. Acceptable subjects include accounting, assurance/auditing, consulting services, specialized knowledge and applications, management, taxation, and ethics. Other subjects, including personal development, may be acceptable if they maintain or improve the CPA's and PA's competence. A CPA or PA may use a learning plan to evaluate learning and competency development. The learning plan may be reviewed periodically and modified as competency needs change.

The individuals request follows, along with the chapters of the book and introduction and the letter from the independent reviewer.

The individual is requesting 60 CPE hours for the period of July 1, 2016 to June 30, 2017.

The Board needs to make a determination in regards to the request.

February 8, 2016

Dear Board members,

It brings me great pleasure to announce the release of my E-book "Discover The Ultimate You – There's More Beneath The Surface". I am writing to request half the 3 years of continuing professional education credit. My book was published January 29, 2017.

As I wrote my book, I can truly say that it has developed the ultimate me and inspired to do even greater things. It allowed me to maintain my professional competence by requiring a lot of time, effort, a variety of skills, and research to self-publish all on my very own. I have maintained my competence by sharing words of integrity and honesty with others. I have improved effective communication skills as I had to apply correct sentence structures, grammar and punctuations. Moreover, I had to use my ideas and thoughts to get important messages across. I have improved my project management skills by organizing the book from the beginning and publishing and copyrighting as an end process. Information in my book required research. I have strategically established a good relationship and partnered with another to prepare my cover page virtually. I have used my business and accounting knowledge to budget my finance and choose the most cost-effective materials, and resources.

Writing this book has allowed me to better myself as a professional in the way it has improved my business writing skills and enhanced my emotional intelligence. I am more disciplined in my time management as I handled other personal projects very well. Writing my book forced me to be creative yet think logically about important topics to include. I have been able to share problems and possible solutions of handling conflict and ways to deal with people under different situations. Publishing this book is allowing me to improve my marketing skills to promote myself as a CPA and highlight my technical audit and accounting skills.

The book developed even more the consultant in me. I normally offer advice verbally but it has allowed me to put my work in writing. It has allowed me to provide advice to individuals on their career, professional and personal life. One of the reason for my writing is to motivate others to complete their goals particularly those wishing to enter the accounting profession. As a professional, this exemplifies leadership skills.

My book is serving its purpose to motivate and inspire others in their personal lives, which is needed to balance both work and play. I hope that you read my book and give a review. More importantly, I hope that you are inspired to give me full CPE credits. Thank you for your time and consideration.

Sincerely,

Yolanda Theophilus

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DEDICATION

I would like to dedicate this book to my mother, Elizabeth Lewis who has supported me during the process of writing, "Discover the Ultimate You – There's More Beneath the Surface." She is someone that I treasure because she is truly a gem. My mother is someone I can rely on and has been there for me through all of my life's decisions, including writing this book. I can always gain comfort in her own writing skills as I found that if it's anything I agreed with her fully on, is her choice of words as she speaks and writes with sincerity and dignity. I am inspired by her unconditional love, independence, and devotion to everything that she does. She continuously

teaches my sister and I to be kind, productive citizens, and healthy in mind and body. I am honored to call her my mother. If it weren't for her, I would not be here to fulfill one of my purposes in life, which is to help make a positive difference in your life.



ACKNOWLEDGEMENT

I would like to express my gratitude to my mother for reading over the draft of my eBook and giving me advice during the process of selecting my cover page. She has encouraged me to finish and publish the eBook because of her positive remarks towards it. Thank you Thomas Shutt for your hard work and creativity on my cover page. To my family and friends, I am grateful to you for every great moment that we share, your kind words and positive actions. It is because of my connections with you, I can give inspirations to others. To my niece, Anijah Bullard – I am very proud of you and wish only great things for you. I hope that you, including all the children of the world, are empowered, positively influenced, and become your best selves.

INTRODUCTION

There are twelve fundamental ways that I thought would help you develop the ultimate you and maximize your true potential. Firstly, you must understand more about what your desires and dreams are and what brings you to self-actualization. Establishing your goals and finding ways to achieve them will help get you on a path of success. Your goals may be work related, relationship driven or more specifically about personal development.

I believe that reading this eBook is a great start to understanding the challenges that you may encounter and identifying ways to overcome barriers and achieve personal success. Your success may differ than someone else and that is expected since we all are unique and have different interests and motivation levels. However, what matters most is that you are content in your life and that you are accomplishing your desired goals. If you feel there is room for growth to develop the ultimate you, then you are doing the right thing by reading this eBook.

I find truth in the serenity prayer which states, “God grant me the serenity to accept the things I cannot change, courage to change the things I can, and wisdom to know the difference.” In essence, focus on the things that you can control while adjusting to and planning around those situations you cannot. The journey to success is a recipe of a cup of efforts and resources, a spoonful of goals in a bowl of valuable experiences stirred with passion and baked over time. However, the recipe to love cannot be composed nor forced; rather, it will happen naturally over the course of time.

My inspiration to write this eBook is based on the fact that I enjoy making a difference in people's lives. I have helped companies improve their processes, internal controls, and financial matters for over 10 years. I really enjoy my day-to-day career obligation as a consultant and professional accountant to help good companies become great ones. More importantly, as I matured I realized that my passion is about people and their inner health, which is directly related to their visible progress and achievements.

People come first and all of the things that matter in our lives should be spoken about. It is my desire to be an inspiration in your life and make good change happen for you even in the simplest

way. Sometimes we are faced with challenges and shortcomings and we do not know how to find our way in this world of confusion. Other times we are afraid to ask questions and may not know what are the questions we need to ask. There are some people who do not have anyone they can talk to or let alone someone they feel they can trust to share their goals and dreams, their inner fears, their strengths and weaknesses, and their current situations with.

*

"Discover The Ultimate You: There's More Beneath The Surface" authored by Yolanda Theophilus is an exciting read for the audience. It delivers an entertaining and exciting account and viewpoint on personal growth and development. I find this book to be a great resource of learning and discovering oneself. One of the many amazing features of the book is that it captivates the attention of multiple audiences - whether you are embarking on your life's journey just out of high school or you are a seasoned professional, there is so much that you can learn from this book. Yolanda herself is a well qualified professional who has great academics and work experiences in different places. Her book clearly demonstrates the skills that she has developed and her tips stated in the book comes in handy for the readers and would help them avoid many mistakes in life's journey.

I also enjoyed reading Yolanda's personal experiences in the book which proves that the strategies for personal growth that she shares in her book have been tested firsthand by her. The tone of book's language is very positive and keeps the reader attached to it. The division of book in twelve chapters is a strong point as it helps the reader in picking from where s/he left. The flow of content from chapter to chapter and within each chapter is logical, helps the reader understand and follow the idea being discussed. The questions Yolanda poses to readers in her book are intriguing and thought provoking. It is a great tool for the reader to stop from running in day to day life and look back to reflect on what s/he has been doing and if all the related stress, worries or fear are worth the material rewards.

The inspirational quotes used from different sources are apt and give an opportunity for the reader to learn how the great minds in the world think and allow the reader to adapt the learning in their lives. Yolanda's enthusiasm to share her wealth of knowledge is obvious everywhere in the book and demonstrates her passion for the subject. Lastly, the book is a short

one (about 72 pages) that could be finished in a single reading. I personally believe that this book would be a treat for the seekers of happiness and self realization.

Reviewed by:

Siddharth Vats, MBA, CPA

(347) 282-9145

March 5, 2017

REPORT TO BOARD ON NASBA REGIONAL CONFERENCE

Nicole Kasin

The NASBA Western Regional Conference will be held in Coeur d'Alene, ID on June 6-8, 2017. The Eastern Regional Conference will be held in Newport, RI on June 27-29, 2017.

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

New Board members are eligible to attend and receive the NASBA New Board Member Orientation Scholarship. Which waives the registration fee, covers the cost of the airline, ground transportation to and from the airport and 4 nights lodging.

EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

Database update

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

CPE Audits

The list of licensees has been selected for CPE audits and letters were sent out to those selected on September 16, 2016. The documentation was due in our office no later than October 31, 2016. The following chart shows the status of the audits as of March 1, 2017. Those that have failed the CPE audit have been provided the option of a consent agreement or request a hearing with the Board.

There are 143 individuals that sign the out-of state affidavit in regards to reporting CPE to their home state. All of those individuals have been verified to have a license in good standing with their home state boards.

	Selected	Complied	Not Complied	Granted Extension	Approved CPE Audit	Failed CPE Audit
CPA (Active)	51	51	0	0	50	1
CPA (Active in Firm)	53	53	0	0	50	3

Board Audit

The Board staff is working with the auditors on the two years ending June 30, 2016 audit. The contract was extended to have the audit completed by June 30, 2016.

Board Discussion

- Any New Business/topics?



**AICPA BOARD OF EXAMINERS (BOE)
MEETING HIGHLIGHTS
January 18 - 20, 2017**

Participants

BOE Members: Diego Baca, Barry Berkowitz, Helen Brown-Liburd, Allan Cohen, Michael Daggett (Chair), Jeanne Dee, Evan DeFord, Jeff Hoops, Shelly Holzman, Audrey Katcher, Roberta Newhouse, Gina Pruitt, Ola Smith, Amy Sutherland, Dan Sweetwood, Michael Watts, Tom Weirich, Jim Wollack

AICPA Staff: Michael Decker (Staff Liaison), Noel Albertson, Rich Gallagher, John Mattar, and Robin Stackhouse

NASBA ERB Staff: Sheena Murphy

AICPA Psychometric Consultant: Mike Edwards

The following new BOE members attended a one-day orientation session that included a visit to a BOE test center: Diego Baca, Evan DeFord, Mike Watts, Tom Weirich, and Jim Wollack.

Roberta Newhouse, Chair of the State Board Committee (SBC), reported on the prior day's meeting, where the following topics were discussed: the rapidly changing profession and its potential impact to the Exam, shortfalls in State budgets and its impact on staffing, the continued shift to allow candidates to sit with 120 hours (even though 150 is required for licensure), the State Boards continued desire to simplify eligibility, registration, and scheduling requirements across the states, adoption of the updated UAA language, and occupational licensing and the perceived challenge some professions may have as their licensing requirements may be an obstacle to growth of the economy.

The SBC also enjoyed an AICPA presentation on test development and how the test is made and recommended that this complex, but fun topic would be valuable at a NASBA Regional conference.

Jim Wollack, Chair of the Psychometric Oversight Committee (POC), reported on the POC's collaboration with the AICPA's psychometric staff and external consultants and everyone's approval of the project plan to conduct the standard setting process in setting the new cut score for the Next Version of the Exam scheduled to launch on April 1, 2017.

The POC also discussed content area subscore reporting and continues to support the AICPA's research.

Amy Sutherland, Chair of the Content Committee (CC), reported that the CC and its section subcommittees, in collaboration with the AICPA staff, have built the 17Q2 launch Exam and are now focused on development of the items for 17Q3, 17Q4, etc.

The current volunteer subcommittee members continue to invest close to 200 hours annually so the CC and Exam's staff continue to focus on item development process improvements.

Future practice analysis processes, the ideal item bank size, and subcommittee enrollment and engagement were all discussed as we plan for the future.

The BOE remains concerned that the State Boards are supporting candidate testing at 120 hours while the Exam's content remains at the 2-year experience, entry-level employee timeframe.

Rich Gallagher, Director of Content Development, and Robin Stackhouse, Director of Exam Development and Production, shared with the BOE that the required development of additional MCQs (multiple choice questions) and TBSs (task-based simulations) at the various skill levels required for 2017 releases of the Exam were on schedule. This has required a shift in focus from the MCQs to the TBSs for the Exam's staff. There are currently 3 openings for CPAs to assist in that development work.

Project plans are being developed for the re-authoring of the items that is required to support the release of the new AICPA UX Driver targeted for release in 2018.

Noel Albertson, AICPA Director of Project and Technology Delivery, shared with the BOE that we remain on budget and on schedule with the AICPA UX Driver, the new web-based test delivery driver for use in the Prometric network in 2018. Noel has been working with a newly-formed BOE Sponsor Group to secure the BOE's guidance, support, and endorsement of the stakeholder management plans, release date planning, risk management, and constituent communications. In the next few months, the definitive 2018 quarter for the software release will be reviewed and approved.

In addition to the communications with candidates, it was recommended that communications be issued to the employers as the score holds and scheduling blackout dates has an impact on employers' recruiting, hiring, and staff promotion schedules.

BOE Sponsor Group: Financial Oversight Group (FOG)

BOE members Barry Berkowitz and Shelly Holzman, and Michael Decker presented an overview of the budget in the FOG Report. The FOG reviewed budgeting for all of the technology and Practice Analysis projects planned through 2018, all of which fall within the scope of the domestic contract, and with an eye toward tri-party contract renewal and the break-even in 2024.

While NASBA, the AICPA, and Prometric are in negotiations regarding the funding of Excel, the BOE supported the AICPA \$10 per section increase targeted for 2018 due to the following unknowns: volume volatility, increased ADA costs, future content development and increased staffing costs, and executing on any positive research outcomes.

Michael Decker, AICPA Vice President of Examinations, introduced a brief plan to update the BOE Strategic Plan including the use of a PESTLE (political, environmental, social, technological, legal, and environmental) and SWOT (strengths, weaknesses, opportunities, and threats) analysis, focusing on changes and disruptors in the accounting profession, with

psychometrics and test standards, in licensure and regulation, and with millennial candidate expectations.

The 2017 Exams team initiatives include:

1. Operational excellence
 - Next Version of the Exam
2. Next-next version of the Exam
 - Research into professional skepticism, audit data analytics, integrated assessments, assessing writing content for content accuracy
3. Strengthen the candidate pipeline
 - Candidate drop-out research
 - Continued data analytics into candidate behavior
 - Employer demand study
4. Improve the candidate experience
 - Updated Sample Test
 - Updated www.aicpa.org website
5. International expansion
 - Regional testing in known locations
 - Business case for India and China in 2017

Key questions discussed by the BOE included the following: Most of the Exam design was driven by the computerization requirements in advance of 2004 and various assumptions were made at that time. What has changed? What are our future requirements and capabilities?

AICPA staff and the BOE will complete an updated Strategic Plan in 2017.

Rich Gallagher, AICPA Director of Exam Content, discussed with the BOE, staff's latest thinking regarding future practice analysis timelines and regular updates. How do we keep the Exam current with the ever-changing CPA profession? How practical is a multi-year Practice Analysis conducted every 5 – 7 years? Can more regular and more efficient Practice Analyses be conducted per section with an overall Practice Analysis conducted as a checkpoint?

John Mattar, AICPA Director of Psychometrics, shared with the BOE the psychometric efforts in operational readiness for the next version of the Exam and in ongoing research for future versions. Operational readiness includes updated automated test assembly, completing inventory analysis, pretesting items, setting the new passing scores, and future updates to the score reporting.

John also started the training of the BOE in the standard setting process as we prepare for the BOE Standard Setting meeting, August 3 – 4, 2017. It is a very complex process and we want to ensure the BOE is prepared for setting the cutscore in August.

Sheena Murphy, Examination Review Board (ERB) Director, updated the BOE on her background, her onboarding process, and the ERB's plan for the year.

**Approved for exposure for comment by NASBA Board of Directors
On January 6, 2017**

**Comment deadline: April 17, 2017
Send comments to lhaberman@nasba.org**

**Draft Model Rules for Continuing Professional Education (CPE)
as approved by the UAA Committee on December 20, 2016**

ARTICLE 3 – DEFINITIONS

Rule 3-4 – Continuing Professional Education (CPE).

Continuing Professional Education (CPE) is an integral part of the lifelong learning required to provide competent service to the public. It is the set of activities that enables CPAs to maintain and improve their professional competence.

Rule 3-5 - CPE reporting period.

A “CPE reporting period” is the period of time as to which a licensee must report or attest to the completion of CPE requirements to the Board of Accountancy.

Rule 3-6 - Subject matter expert.

A “subject matter expert” is a person who is an authority in a particular area or topic. A subject matter expert is involved in developing CPE materials where knowledge expertise is needed.

Rule 3-7 - Technical committee.

A “technical committee” is a committee that serves as a resource to identify issues regarding the practice of accountancy and develop technical or policy recommendations on those issues.

Rule 3-8 - Technical fields of study.

“Technical fields of study” are technical subjects that contribute to the competence of a CPA in the profession of accountancy and that directly relate to the CPA’s field of business. These fields of study include, but are not limited to:

- (a) Accounting;
- (b) Accounting (Government);
- (c) Auditing;
- (d) Auditing (Government);
- (e) Business Law;
- (f) Economics;
- (g) Finance;
- (h) Information Technology;

- (i) Management Services;
- (j) Regulatory Ethics;
- (k) Specialized Knowledge;
- (l) Statistics; and
- (m) Taxes.

Rule 3-9 - Non-technical fields of study.

“Non-technical fields of study” are subjects that contribute to the competence of a CPA in areas that indirectly relate to the CPA’s field of business. These fields of study include, but are not limited to:

- (a) Behavioral Ethics;
- (b) Business Management & Organization;
- (c) Communications and Marketing;
- (d) Computer Software & Applications;
- (e) Personal Development;
- (f) Personnel/Human Resources; and
- (g) Production.

**ARTICLE 6 – ISSUANCE OF CERTIFICATES AND RENEWAL OF CERTIFICATES AND REGISTRATIONS,
CONTINUING PROFESSIONAL EDUCATION AND RECIPROCITY**

Rule 6-1 - Applications.

No proposed change to current rule. Not within scope of project.

Rule 6-2 – Experience required for initial certificate.

No proposed change to current rule. Not within scope of project.

Rule 6-3 – Evidence of applicant’s experience.

No proposed change to current rule. Not within scope of project.

Rule 6-4 – CPE requirements for renewal of the certificate or registration.

The following requirements of CPE apply to the renewal of certificates and registrations pursuant to Section 6(d) of the Act.

- (a) An applicant seeking renewal of a certificate, registration or license from a Board shall assert in a manner acceptable to the Board, that the applicant for renewal meets all of the following CPE requirements:
 - (1) Completion of qualifying CPE during the CPE reporting period that averages no fewer than forty (40) credits of qualified CPE, including an average of two (2) credits of qualifying ethics CPE, for each annual period included in the CPE reporting period; and

- (2) Completion of a minimum of twenty (20) credits of qualifying CPE during each annual period included in the CPE reporting period.
- (3) Completion of a minimum of fifty percent (50%) of the total CPE credits required for the CPE reporting period in technical fields of study.

Qualifying subject areas for CPE are categorized as either technical or non-technical fields of study as set forth in Rules 3-8 and 3-9 above. Subjects other than technical and non-technical fields of study may be acceptable for CPE if the licensee can demonstrate to the satisfaction of the Board that such subjects or specific programs contribute to the maintenance of the licensee's professional competence.

(b) A person who obtains a certificate, registration or license for the first time shall complete at least forty (40) credits of acceptable CPE during the first full annual period following the year in which the original certificate, registration or license was obtained. There is no provision for carry-over from an annual period in which CPE was not required.

(c) An applicant whose certificate, registration or license has lapsed or has been suspended shall complete qualifying CPE that averages no fewer than forty (40) credits of qualified CPE, for each annual period included in the CPE reporting period preceding the date of reapplication, not to exceed a total of one hundred twenty (120) credits. An applicant whose certificate or registration has lapsed or has been suspended shall be required to identify and complete a program of learning designed to demonstrate the currency of the licensee's competencies directly related to his or her area of practice.

(d) Licensees granted an exception from the competency requirement by the Board may discontinue use of the word "inactive" or "retired" in association with their license upon showing that they have completed qualifying CPE that averages no fewer than forty (40) credits of qualified CPE for each annual period included in the CPE reporting period preceding the request to discontinue use of the word "inactive" or "retired," not to exceed a total of one hundred twenty (120) credits.

(e) Upon request by the Board, the applicant for renewal shall provide proof of completion or other evidence acceptable to the Board that supports the assertion by the applicant that the applicant has met the CPE renewal requirements. If the Board so requests, the applicant shall also submit an explanation of how any portion of CPE credits for renewal questioned by the Board relate to the applicant's continuing professional competence.

(f) For a certificate, registration or license that has been lapsed, suspended or inactive for a period of five (5) years or more, the Board has the discretion to determine the number and type of CPE credits as a requirement for reinstatement.

Rule 6-5 –Activities qualifying for CPE credit.

CPE activities are learning opportunities that contribute directly to a licensee’s knowledge, ability and/or competence to perform his or her professional responsibilities. CPE activities should address the licensee’s current and future work environment, current knowledge and skills and desired or needed knowledge and skills to meet future opportunities and/or professional responsibilities.

(a) The following learning activities shall qualify for CPE credit:

- (1) A learning activity that complies with the Statement on Standards for Continuing Professional Education (CPE) Programs, issued jointly by the AICPA and NASBA, and is coordinated and presented by a qualifying CPE program sponsor as set forth below in Rule 6-5 (b).

The sources of qualifying learning activities include but are not limited to the following:

- (A) Group Programs;
- (B) Self-Study Programs;
- (C) Blended Learning Programs;
- (D) Nano-Learning Programs;
- (E) Instructor/Developer of CPE programs in (A) through (D) above or in (2) and (4) below;
- (F) Technical Reviewer of CPE programs in (A) through (D) above or in (2) and (4) below; and
- (G) Independent Study.

- (2) A college or university course that is coordinated and presented by a qualifying university or college as set forth in Rule 6-5 (b)(2) below, and is in a qualifying subject area as set forth in Rule 6-4 (a) above;

No CPE credit shall be permitted for attending or instructing college or university courses considered to be basic or introductory accounting courses or CPA exam preparation/review courses.

- (3) Authorship of published articles, books and other publications relevant to maintaining professional competence.
- (4) A group learning activity that is coordinated and presented by a person, firm, association, corporation or group, other than a qualifying learning program sponsor as defined in Rule 6-5 (b) below. These programs are generally related

to topics of the specialized knowledge field of study by persons or organizations with expertise in these specialized industries.

- (5) Participation and work on a technical committee of an international, national or state professional association, council or member organization, or a governmental entity that supports professional services or industries that require unique and specific knowledge in accounting or tax compliance.

(b) The following are deemed to be qualifying CPE program sponsors:

- (1) The AICPA and state CPA societies;
- (2) Universities or colleges accredited at the time the CPE program was delivered by virtue of accreditation by an organization recognized by the Council for Higher Education Accreditation as a specialized, professional, or regional accrediting organization;
- (3) Persons, firms, associations, corporations or other groups that are members of NASBA's National Registry of CPE Sponsors; and
- (4) Persons, firms, associations, corporations or other groups that are recognized by the Board.

(c) Acceptable evidence for completion of qualifying learning activities shall include the following:

- (1) For programs or courses as set forth in Rule 6-5 (a) (1) and (2), acceptable evidence should include a certificate of completion or transcript issued by the qualifying learning program sponsor.
- (2) For activities set forth in Rule 6-5 (a) (3), acceptable evidence may include a copy of the publication that names the licensee as author or contributor; a statement from the licensee supporting the number of CPE credits claimed; and the name and contact information of the independent reviewer(s) or publisher.
- (3) For programs or courses as set forth in Rule 6-5 (a) (4), acceptable evidence may include a certificate of attendance or other verification supplied by the program sponsor. If a certificate of attendance or other verification is not available, then acceptable evidence shall include copies of the course agenda, program materials, or other documents attributable to the learning activity.

- (4) For activities set forth in Rule 6-5 (a) (5), acceptable evidence shall include a written certificate of the licensee setting forth all of the following:
- (A) The nature of the activity (e.g., topic or specific new competency acquired), the items discussed and the source/materials considered.
 - (B) The dates on which the learning activity occurred.
 - (C) The number of CPE credits attributed to the learning activity.
 - (D) Details of the relevance of the learning activity to the participant's current or future professional development.

Rule 6-6 – Continuing professional education records.

(a) Computation of CPE credits.

Each approved CPE course, program, or activity shall be measured by program length, with one 50-minute period equal to one CPE credit.

(1) Computation of CPE credits for qualifying CPE programs shall be as follows:

- (A) Group programs, independent study and blended learning programs – A minimum of one credit must be earned initially, but after the first credit has been earned, credits may be earned in one-fifth or one-half increments.
- (B) Self-study – A minimum of one-half credit must be earned initially, but after the first credit has been earned, credits may be earned in one-fifth or one-half increments.
- (C) Nano-learning – The credit to be earned for a single nano-learning program is one-fifth credit.
- (D) For blended learning programs included in Rule 6-5 (a)(1)(C), CPE credit must equal the sum of the CPE credit determination for the various completed components of the program.
- (E) An instructor/developer of qualifying CPE programs included in Rule 6-5 (a) (1) (A) through (D) may receive CPE credit for actual preparation time up to two times the number of CPE credits to which participants would be entitled, in addition to the time for presentation. For repeat presentations, CPE credit can be claimed only if it can be demonstrated that the learning activity content was substantially changed and such change required significant additional study or research. Not more than fifty percent (50%) of the total CPE credits required for the CPE reporting period can be claimed for instructor/developer CPE credit.

- (F) A technical reviewer of qualifying CPE programs included in Rule 6-5 (a) (1) (A) through (D) may receive CPE credit for actual review time up to the actual number of CPE credits for the learning activity. For repeat technical reviews, CPE credit can be claimed only if it can be demonstrated that the learning activity content was substantially changed and such change required significant additional study or research. Not more than fifty percent (50%) of the total CPE credits required for the CPE reporting period can be claimed for technical reviewer CPE credit.
- (G) Authors of published articles, books and other publications may receive CPE credit for their research and writing time to the extent it maintains or improves their professional competence. For the author to receive CPE credit, the article, book or CPE program must be formally reviewed by an independent party. Not more than fifty percent (50%) of the total CPE credits required for the CPE reporting period can be claimed for author CPE credit.
- (H) For courses that are part of the curriculum of a university, college or other educational institution, each semester hour credit shall equal fifteen (15) CPE credits, and each quarter hour shall equal ten (10) CPE credits.

For non-credit courses, CPE credit shall equal actual time in class.

CPE credit for instructing a college or university course shall be twice the credit that would have been granted participants for the first presentation of a specific course or program and none thereafter, except if the course content has been substantially revised. To the extent a course has been substantially revised, the revised portion shall be considered a first presentation. Not more than fifty percent (50%) of the total CPE credits required for the CPE reporting period can be claimed for instructor CPE credit.

- (I) Not more than twenty-five percent (25%) of the total qualifying CPE credits for a CPE reporting period may consist of a combination of the learning activities defined in Rule 6-5 (a) (4) and (5).

(b) CPE records.

An applicant seeking renewal of a certificate, registration or license from the Board shall, as a prerequisite for such renewal, certify in a manner acceptable to the Board, that the applicant for renewal meets all of the CPE requirements set forth in Rule 6-4 above. Responsibility for documenting the acceptability of the program and the validity of the credits rests with the applicant who should retain such documentation for the longer of a period of five years or two reporting periods following completion of each learning activity.

The Board will verify, on a test basis, information submitted by applicants for renewal of a certificate, registration or license. In cases where the Board determines that the requirement is not met, the Board may grant an additional period of time in which the deficiencies can be cured or seek disciplinary action, at the Board's discretion. Fraudulent reporting is a basis for disciplinary action.

Rule 6-7 –CPE Reciprocity.

A non-resident licensee seeking renewal of a certificate in this state shall be determined to have met the CPE requirement (including the requirements of Rule 6-4(a)) of this rule by meeting the CPE requirements for renewal of a certificate in the state in which the licensee's principal place of business is located.

(a) Non-resident applicants for renewal shall demonstrate compliance with the CPE renewal requirements of the state in which the licensee's principal place of business is located by signing a statement to that effect on the renewal application of this state.

(b) If a non-resident licensee's principal place of business state has no CPE requirements for renewal of a certificate, the non-resident licensee must comply with all CPE requirements for renewal of a certificate in this state.

Rule 6-8 – Exceptions.

Not within scope of this task force's project.

Rule 6-9 – Interstate practice.

Not within scope of this task force's project.

Rule 6-10 – International reciprocity.

Not within scope of this task force's project.

Rule 6-11 – Peer review for certificate holders who do not practice in a licensed firm.

Not within scope of this task force's project.