

**Meeting Agenda**  
**SOUTH DAKOTA BOARD OF ACCOUNTANCY**

Zoom Meeting – Conference Call

<https://state-sd.zoom.us/j/95741861303?pwd=MUdaRic5ZEgxKOZiNWpYbnRSbFptdz09>

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

March 24, 2021, 9:00 a.m. (CDT)

A=Action  
D=Discussion  
I=Information

|  |         |
|--|---------|
| A. Call to Order.....  | Budahl  |
| B. Public Comment.....   | Oratory |
| C. A-Approval of Minutes of Meeting January 13, 2021.....        | 2-3     |
| D. A-Approval of Certificates & Firm Permits.....                | 4-5     |
| E. A-Approval of Financial Statements through February 2021..... | 6-28    |
| F. A-Report to Board on Grades.....                              | 29-30   |
| G. D-Executive Director's Report.....                            | 31      |
| H. 9:30 Hearing for Bruce Ashland.....                           | 32-35   |

**NASBA**

|  |       |
|--|-------|
| I. D- Board of Directors Meeting Minutes Oct 30 & Nov 3, 2020..... | 36-45 |
| J. D- Board of Directors Meeting Highlights January 15, 2021.....  | 46-47 |
| K. A- Quarterly Focus Questions.....                               | 48-49 |
| L. D-Executive Summary and Responses October Focus Questions.....  | 50-58 |
| M. A-Proposed Pilot of Remote Proctoring of CPA Exam.....          | 59-88 |

**EXECUTIVE SESSION**

|   |           |
|---|-----------|
| N. Equivalent Reviews, Follow ups & Consent Agreement for Board Approval..... | Spt. Pkt. |
|---|-----------|

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

- O. Meeting Dates
  - May 5, 2021 – 9:00 Zoom Meeting
  - June 16, 2021 – 9:00 Zoom Meeting
- P. Adjournment

**Meeting Minutes**  
**SOUTH DAKOTA BOARD OF ACCOUNTANCY**  
Zoom Meeting  
January 13, 2021 9:00 a.m. CT

Chair Deidre Budahl called the meeting to order at 9:01 a.m. Nicole Kasin called the roll. A quorum was present.

**Members Present:** Jay Tolsma, Russell Olson, David Pummel, Jeff Smith, Jeff Strand, and Deidre Budahl.

**Others Present:** Nicole Kasin, Executive Director; Julie Iverson, Sr. Secretary; Trista Burke, Secretary; and Graham Oey, Staff Attorney.

Russell Olson made a motion to approve the agenda. David Pummel seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

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

Jeff Strand made a motion to approve the December 2, 2020 meeting minutes. David Pummel seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

David Pummel made a motion to approve the issuance of certificates through January 7, 2021. Jeff Smith seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

Jay Tolsma made a motion to approve the financial statements through December 2020. Russell Olson seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

The Board discussed two requests from exam candidates for an extension on an expired exam section.

David Pummel made a motion to deny the first candidate request for an extension on an expired CPA exam score for failing to meet the requirements of ARSD 20:75:01:07. Jay Tolsma seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

David Pummel made a motion to deny the second candidate request for an extension on an expired CPA exam score for failing to meet the requirements of ARSD 20:75:01:07. Jay Tolsma seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

At 9:27 Colleen Conrad, NASBA Executive VP and COO, joined the meeting. She presented the Board with information on remote testing.

Colleen Conrad left the meeting at 10:05.

Executive Director Kasin discussed her report with an update on CPE Audits, NASBA remote testing, NASBA CPA Evolution Model Rules, and Legislative House Bill 1014.

The Board discussed the AICPA October-November 2020 Board of Examiners Meeting

Highlights.

Jeff Strand made a motion to enter executive session for the deliberative process for peer reviews, follow-up, and Draft AUP Report. Jeff Smith seconded the motion. A roll call vote was taken. **MOTION PASSED** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

The Board came out of executive session.

Jeff Strand made a motion to accept the peer reviews, follow-up, and Draft AUP Report as discussed in executive session. David Pummel seconded the motion. A roll call vote was taken. **MOTION PASSED** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-abstained)

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

March 24, 2021 – 9:00 a.m. Zoom meeting

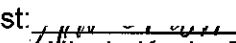
May 5, 2021 – 9:00 a.m. Zoom meeting

David Pummel made a motion to adjourn the meeting. Jay Tolsma seconded the motion. A roll call vote was taken. **MOTION PASSED** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

All business having come before the board was concluded and Chair Deidre Budahl adjourned the meeting at 10:53 a.m.

  
Deidre Budahl, CPA, Chair

Attest:

  
\_\_\_\_\_  
Nicole Kasin, Executive Director

  
\_\_\_\_\_  
Jeff Smith, Sec/Treasurer

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES  
BOARD COPY**

**Issued Through March 17, 2021**

| Number | Name                     | Date Issued | Location          |
|--------|--------------------------|-------------|-------------------|
| 3509   | Caleb Michael Ott        | 1/19/21     | Dakota Dunes, SD  |
| 3510   | Austin Shawn Bertram     | 1/19/21     | Sioux Falls, SD   |
| 3511   | Wayne William Drealan    | 1/20/21     | Belle Fourche, SD |
| 3512   | Jill E. Erlandson        | 1/21/21     | Brandon, SD       |
| 3513   | Nicholas Raymond Hoflock | 1/25/21     | Sioux Falls, SD   |
| 3514   | David Lloyd Haan         | 2/01/21     | Sioux Falls, SD   |
| 3515   | Katelyn Lois Woten       | 2/03/21     | Rapid City, SD    |
| 3516   | John Thomas Barthelemy   | 2/16/21     | Box Elder, SD     |
| 3517   | Tyler Andrew Sterk       | 2/17/21     | Sioux Falls, SD   |
| 3518   | John Patrick Jarding     | 2/24/21     | Sioux Falls, SD   |
| 3519   | Alicia Lee Neururer      | 3/04/21     | Sioux Falls, SD   |
| 3520   | Desa Lynn Lintz          | 3/15/21     | Rapid City, SD    |

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

**Issued Through  
March 17, 2021**

| <b>Number</b> | <b>Name</b>   | <b>Date Issued</b> | <b>Basis/Comments</b> |
|---------------|---|--------------------|-----------------------|
| 1753          | Freidel & Associates, LLC<br>Rapid City, SD           | 01/19/21           | New Firm              |
| 1754          | Acquavella, Chiarelli, Shuster, LLP<br>Iselin, NJ     | 02/22/21           | New Firm              |
| 1755          | Smith Elliott Kearns & Company, LLC<br>Hagerstown, MD | 03/01/21           | New Firm              |
| 1756          | Ashland CPA Advisors, PC<br>Rapid City, SD            | 03/04/21           | New Firm              |
| 1757          | Simplify, Prof LLC<br>Rapid City, SD                  | 03/15/21           | New Firm              |

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

| COMPANY                        | CENTER       | ACCOUNT | BALANCE    | DR/CR  | CENTER DESCRIPTION   |
|--------------------------------|--------------|---------|------------|--------|----------------------|
| 6503                           | 103100061802 | 1140000 | 437,271.40 | DR     | BOARD OF ACCOUNTANCY |
| COMPANY/SOURCE TOTAL 6503 618  |              |         | 437,271.40 | DR *   |                      |
| COMP/BUDG UNIT TOTAL 6503 1031 |              |         | 437,271.40 | DR **  |                      |
| BUDGET UNIT TOTAL 1031         |              |         | 437,271.40 | DR *** |                      |

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 02/28/2021

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

| COMP  | CENTER       | ACCOUNT  | DOCUMENT NUMBER | POSTING DATE | JV APPL. # OR PAYMENT # | SHORT NAME | VENDOR NUMBER | VENDOR GROUP | AMOUNT    | DR/CR  |
|---|--------------|----------|-----------------|--------------|-------------------------|------------|---------------|--------------|-----------|--------|
| COMPANY NO 6503 PROFESSIONAL & LICENSING BOARDS |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 51010100 | CGEX210127      | 02/03/2021   |                         |            |               |              | 2,733.74  | DR     |
| 6503  | 103100061802 | 51010100 | CGEX210211      | 02/17/2021   |                         |            |               |              | 2,717.66  | DR     |
| OBJSUB: 5101010 F-T EMP SAL & WAGES             |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 51010200 | CGEX210127      | 02/03/2021   |                         |            |               |              | 5,451.40  | DR *   |
| 6503  | 103100061802 | 51010200 | CGEX210211      | 02/17/2021   |                         |            |               |              | 1,789.84  | DR     |
| OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES        |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 51010300 | CGEX210127      | 02/03/2021   |                         |            |               |              | 3,770.27  | DR *   |
| 6503  | 103100061802 | 51010300 | CGEX210211      | 02/17/2021   |                         |            |               |              | 420.00    | DR     |
| OBJSUB: 5101030 BOARD & COMM MERS FEES          |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 51020100 | CGEX210127      | 02/03/2021   |                         |            |               |              | 9,821.67  | DR **  |
| 6503  | 103100061802 | 51020100 | CGEX210211      | 02/17/2021   |                         |            |               |              | 310.96    | DR     |
| OBJSUB: 5102010 OASI-EMPLOYER'S SHARE           |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 51020200 | CGEX210127      | 02/03/2021   |                         |            |               |              | 616.95    | DR *   |
| 6503  | 103100061802 | 51020200 | CGEX210211      | 02/17/2021   |                         |            |               |              | 271.41    | DR     |
| OBJSUB: 5102020 RETIREMENT-ER SHARE             |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 51020600 | CGEX210127      | 02/03/2021   |                         |            |               |              | 1,381.85  | DR     |
| 6503  | 103100061802 | 51020600 | CGEX210211      | 02/17/2021   |                         |            |               |              | 1,379.66  | DR     |
| OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE       |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 51020800 | CGEX210127      | 02/03/2021   |                         |            |               |              | 2,761.51  | DR *   |
| 6503  | 103100061802 | 51020800 | CGEX210211      | 02/17/2021   |                         |            |               |              | 8.13      | DR     |
| OBJSUB: 5102080 WORKER'S COMPENSATION           |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 51020900 | CGEX210127      | 02/03/2021   |                         |            |               |              | 16.57     | DR *   |
| 6503  | 103100061802 | 51020900 | CGEX210211      | 02/17/2021   |                         |            |               |              | 4.69      | DR     |
| OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION       |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 52040500 | 19-1000-061     | 02/12/2021   | 00703034                | GISOLUTION | 12290765      |              | 3,957.56  | DR **  |
| OBJSUB: 5204050 COMPUTER CONSULTANT             |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 52041800 | DP101098        | 02/24/2021   |                         |            |               |              | 13,779.23 | DR *** |
| OBJSUB: 5204180 COMPUTER SERVICES-STATE         |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 52042000 | FM112074        | 02/24/2021   |                         |            |               |              | 9.23      | DR *   |
| 6503  | 103100061802 | 52042000 | PL101056        | 02/28/2021   |                         |            |               |              | 583.80    | DR *   |
| 6503  | 103100061802 | 52042000 | PP112046        | 02/28/2021   |                         |            |               |              | 835.29    | DR     |
| OBJSUB: 5204200 CENTRAL SERVICES                |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 52042000 |                 |              |                         |            |               |              | 211.01    | DR     |
| 6503  | 103100061802 | 52042000 |                 |              |                         |            |               |              | 6.00      | DR     |
| OBJSUB: 5204200 CENTRAL SERVICES                |              |          |                 |              |                         |            |               |              |           |        |
| 6503  | 103100061802 | 52042000 |                 |              |                         |            |               |              | 1,052.30  | DR *   |

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 02/28/2021

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

| COMP | CENTER       | ACCOUNT  | DOCUMENT NUMBER                          | POSTING DATE | JV APPL # / OR PAYMENT # | SHORT NAME | VENDOR NUMBER | VENDOR GROUP | AMOUNT    | DR/CR    |
|------|--------------|----------|--|--------------|--------------------------|------------|---------------|--------------|-----------|----------|
| 6503 | 103100061802 | 52042200 | IN804317                                 | 02/12/2021   | 02382760                 | ABBUSINESS | 12036980      |              | 84.71     | DR       |
|      |              |          |  |              |                          |            |               |              | 84.71     | DR *     |
|      |              |          |  |              |                          |            |               |              | 142.46    | DR       |
| 6503 | 103100061802 | 52042300 | 211006SEP-JUN21                          | 02/17/2021   | 466618                   | SUNSETOFTI | 12627537      |              | 142.46    | DR       |
|      |              |          |  |              |                          |            |               |              | 142.46    | DR *     |
| 6503 | 103100061802 | 52042300 | JANITORIAL & MAINT SERV                  | 02/10/2021   | 407016                   | MCGINNISRO | 12074040      |              | 142.46    | DR *     |
|      |              |          |  |              |                          |            |               |              | 1,380.75  | DR *     |
|      |              |          |  |              |                          |            |               |              | 96.61     | DR       |
| 6503 | 103100061802 | 52045300 | RENTS-PRIVATE OWNED PROP.                | 02/10/2021   | 00036863                 | AFTMOBILIT | 12279233      |              | 105.92    | DR       |
|      |              |          |  |              |                          |            |               |              | 105.92    | DR       |
| 6503 | 103100061802 | 52045300 | TELECOMMUNICATIONS SVCS                  | 02/05/2021   | 02381657                 | XCELENERGY | 12023853      |              | 202.53    | DR *     |
|      |              |          |  |              |                          |            |               |              | 66.87     | DR       |
| 6503 | 103100061802 | 52045400 | ELECTRICITY                              | 02/10/2021   | 268834                   |            |               |              | 66.87     | DR *     |
|      |              |          |  |              |                          |            |               |              | 60.04     | DR       |
| 6503 | 103100061802 | 52047400 | BANK FEES AND CHARGES                    | 02/12/2021   | 00702727                 | NATLASSNST | 12005047      |              | 5,752.29  | DR *     |
|      |              |          |  |              |                          |            |               |              | 5,752.29  | DR *     |
| 6503 | 103100061802 | 52049600 | OTHER CONTRACTUAL SERVICE                | 02/10/2021   | 00702500                 | PREFERREDP | 12308425      |              | 11,243.88 | DR **    |
|      |              |          |  |              |                          |            |               |              | 13.80     | DR       |
|      |              |          |  |              |                          |            |               |              | 13.80     | DR **    |
|      |              |          |  |              |                          |            |               |              | 683.93    | DR       |
| 6503 | 103100061802 | 52280000 | PRINTING-COMMERCIAL SUPPLIES & MATERIALS | 02/10/2021   |                          |            |               |              | 683.93    | DR *     |
|      |              |          |  |              |                          |            |               |              | 683.93    | DR **    |
|      |              |          |  |              |                          |            |               |              | 11,941.61 | DR ***   |
|      |              |          |  |              |                          |            |               |              | 25,720.84 | DR ****  |
|      |              |          |  |              |                          |            |               |              | 25,720.84 | DR ***** |
|      |              |          |  |              |                          |            |               |              | 25,720.84 | DR ***** |
|      |              |          |  |              |                          |            |               |              | 683.93    | DR *     |
|      |              |          |  |              |                          |            |               |              | 683.93    | DR **    |
|      |              |          |  |              |                          |            |               |              | 11,941.61 | DR ***   |
|      |              |          |  |              |                          |            |               |              | 25,720.84 | DR ****  |
|      |              |          |  |              |                          |            |               |              | 25,720.84 | DR ***** |
|      |              |          |  |              |                          |            |               |              | 25,720.84 | DR ***** |

B. UNIT: 1031



**South Dakota Board of Accountancy**  
**Balance Sheet**  
As of February 28, 2021

|  | Feb 28, 21        |
|--|-------------------|
| <b>ASSETS</b>                            |                   |
| <b>Current Assets</b>                    |                   |
| <b>Checking/Savings</b>                  |                   |
| 1130000 · Local Checking - Great Western | 3,264.44          |
| 1140000 · Pool Cash State of SD          | 437,271.40        |
| <b>Total Checking/Savings</b>            | 440,535.84        |
| <b>Other Current Assets</b>              |                   |
| 1131000 · Interest Income Receivable     | 18,356.04         |
| 1213000 · Investment Income Receivable   | 2,086.30          |
| <b>Total Other Current Assets</b>        | 20,442.34         |
| <b>Total Current Assets</b>              | 460,978.18        |
| <b>Fixed Assets</b>                      |                   |
| 1670000 · Computer Software              |                   |
| Original Cost                            | 34,075.00         |
| 1770000 · Depreciation                   | -16,091.12        |
| <b>Total 1670000 · Computer Software</b> | 17,983.88         |
| <b>Total Fixed Assets</b>                | 17,983.88         |
| <b>TOTAL ASSETS</b>                      | <b>478,962.06</b> |
| <b>LIABILITIES &amp; EQUITY</b>          |                   |
| <b>Liabilities</b>                       |                   |
| <b>Current Liabilities</b>               |                   |
| <b>Accounts Payable</b>                  |                   |
| 2110000 · Accounts Payable               | 7,314.84          |
| <b>Total Accounts Payable</b>            | 7,314.84          |
| <b>Other Current Liabilities</b>         |                   |
| 2430000 · Accrued Wages Payable          | 9,683.65          |
| 2810000 · Amounts Held for Others        | 14,041.11         |
| <b>Total Other Current Liabilities</b>   | 23,724.76         |
| <b>Total Current Liabilities</b>         | 31,039.60         |
| <b>Long Term Liabilities</b>             |                   |
| 2960000 · Compensated Absences Payable   | 28,538.78         |
| <b>Total Long Term Liabilities</b>       | 28,538.78         |
| <b>Total Liabilities</b>                 | 59,578.38         |
| <b>Equity</b>                            |                   |
| 3220000 · Net Position                   | 299,840.86        |
| 3300100 · Invested In Capital Assets     | 17,984.16         |
| 3900 · Retained Earnings                 | 2,414.64          |
| Net Income                               | 99,144.02         |
| <b>Total Equity</b>                      | 419,383.68        |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>    | <b>478,962.06</b> |

# South Dakota Board of Accountancy

## Profit & Loss Budget vs. Actual

July 2020 through February 2021

|   | Jul '20 - Feb 21  | Budget            | \$ Over Budget   | % of Budget   |
|---|-------------------|-------------------|------------------|---------------|
| <b>Ordinary Income/Expense</b>            |                   |                   |                  |               |
| <b>Income</b>                             |                   |                   |                  |               |
| 4293550 · Initial Individual Certificate  | 2,000.00          | 2,500.00          | -500.00          | 80.0%         |
| 4293551 · Certificate Renewals-Active     | 66,750.00         | 62,500.00         | 4,250.00         | 106.8%        |
| 4293552 · Certificate Renewals-Inactive   | 22,200.00         | 21,000.00         | 1,200.00         | 105.7%        |
| 4293553 · Certificate Renewals-Retired    | 1,480.00          | 1,450.00          | 30.00            | 102.1%        |
| 4293554 · Initial Firm Permits            | 300.00            | 700.00            | -400.00          | 42.9%         |
| 4293555 · Firm Permit Renewals            | 15,600.00         | 14,500.00         | 1,100.00         | 107.6%        |
| 4293557 · Initial Audit                   | 270.00            | 900.00            | -630.00          | 30.0%         |
| 4293558 · Re-Exam Audit                   | 1,033.88          | 2,460.00          | -1,426.12        | 42.0%         |
| 4293560 · Late Fees-Initial Certificate   | 50.00             | 0.00              | 50.00            | 100.0%        |
| 4293561 · Late Fees-Certificate Renewals  | 3,550.00          | 3,000.00          | 550.00           | 118.3%        |
| 4293563 · Late Fees-Firm Permit Renewals  | 750.00            | 500.00            | 250.00           | 150.0%        |
| 4293564 · Late Fees-Peer Review           | 1,550.00          | 1,300.00          | 250.00           | 119.2%        |
| 4293566 · Firm Permit Owners              | 125,055.00        | 109,000.00        | 16,055.00        | 114.7%        |
| 4293567 · Peer Review Admin Fee           | 1,650.00          | 5,500.00          | -3,850.00        | 30.0%         |
| 4293568 · Firm Permit Name Change         | 0.00              | 100.00            | -100.00          | 0.0%          |
| 4293569 · Initial FAR                     | 600.00            | 1,140.00          | -540.00          | 52.6%         |
| 4293570 · Initial REG                     | 180.00            | 660.00            | -480.00          | 27.3%         |
| 4293571 · Inital BEC                      | 150.00            | 930.00            | -780.00          | 16.1%         |
| 4293572 · Re-Exam FAR                     | 780.00            | 1,860.00          | -1,080.00        | 41.9%         |
| 4293573 · Re-Exam REG                     | 570.00            | 2,310.00          | -1,740.00        | 24.7%         |
| 4293574 · Re-Exam BEC                     | 660.00            | 2,310.00          | -1,650.00        | 28.6%         |
| 4491000 · Interest and Dividend Revenue   | 11,016.74         | 5,500.00          | 5,516.74         | 200.3%        |
| 4896021 · Legal Recovery Cost             | 0.00              | 1,000.00          | -1,000.00        | 0.0%          |
| <b>Total Income</b>                       | <b>256,195.62</b> | <b>241,120.00</b> | <b>15,075.62</b> | <b>106.3%</b> |
| <b>Gross Profit</b>                       | <b>256,195.62</b> | <b>241,120.00</b> | <b>15,075.62</b> | <b>106.3%</b> |
| <b>Expense</b>                            |                   |                   |                  |               |
| 5101010 · F-T Emp Sal & Wages             | 43,099.46         | 86,257.00         | -43,157.54       | 50.0%         |
| 5101020 · P-T/Temp Emp Sal & Wages        | 28,917.97         | 45,096.00         | -16,178.03       | 64.1%         |
| 5101030 · Board & Comm Mbrs Fees          | 3,480.00          | 4,969.00          | -1,489.00        | 70.0%         |
| 5102010 · OASI-Employer's Share           | 5,083.85          | 10,048.00         | -4,964.15        | 50.6%         |
| 5102020 · Retirement-ER Share             | 4,076.55          | 7,881.00          | -3,804.45        | 51.7%         |
| 5102060 · Health /Life Ins.-ER Share      | 16,583.44         | 10,809.00         | 5,774.44         | 153.4%        |
| 5102080 · Worker's Compensation           | 129.60            | 276.00            | -146.40          | 47.0%         |
| 5102090 · Unemployment Insurance          | 72.22             | 131.00            | -58.78           | 55.1%         |
| 5203010 · Auto--State Owned               | 0.00              | 250.00            | -250.00          | 0.0%          |
| 5203020 · Auto-Private-Owne Low Mileage   | 0.00              | 400.00            | -400.00          | 0.0%          |
| 5203030 · In State-Auto- Priv. High Miles | 0.00              | 1,500.00          | -1,500.00        | 0.0%          |
| 5203060 · In State-Air Commercial Carrier | 0.00              | 0.00              | 0.00             | 0.0%          |
| 5203080 · In State-Other Public Carrier   | 0.00              | 0.00              | 0.00             | 0.0%          |
| 5203100 · In State-Lodging                | 0.00              | 1,000.00          | -1,000.00        | 0.0%          |
| 5203120 · In State-Incidentals to Travel  | 0.00              | 100.00            | -100.00          | 0.0%          |
| 5203130 · Nonemployment Travel            | 0.00              | 0.00              | 0.00             | 0.0%          |
| 5203140 · InState-Tax Meals Not OverNigt  | 0.00              | 100.00            | -100.00          | 0.0%          |
| 5203150 · InState-Non-Tax Meals OverNigt  | 0.00              | 400.00            | -400.00          | 0.0%          |
| 5203220 · OS-Auto Private Low Mileage     | 0.00              | 0.00              | 0.00             | 0.0%          |
| 5203230 · OS-Auto Private High Mileage    | 0.00              | 200.00            | -200.00          | 0.0%          |

# South Dakota Board of Accountancy

## Profit & Loss Budget vs. Actual

July 2020 through February 2021

|   | Jul '20 - Feb 21  | Budget            | \$ Over Budget     | % of Budget    |
|---|-------------------|-------------------|--------------------|----------------|
| 5203260 · OS-Air Commercial Carrier       | 0.00              | 7,000.00          | -7,000.00          | 0.0%           |
| 5203280 · OS-Other Public Carrier         | 0.00              | 700.00            | -700.00            | 0.0%           |
| 5203300 · OS-Lodging                      | 0.00              | 9,000.00          | -9,000.00          | 0.0%           |
| 5203320 · OS-Incidentals to Travel        | 0.00              | 500.00            | -500.00            | 0.0%           |
| 5203330 · OS-Nonemployment Travel         | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5203340 · OS-Taxable Meals-Not Overnight  | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5203350 · OS-Non-Taxable Meals Overnight  | 0.00              | 1,000.00          | -1,000.00          | 0.0%           |
| 5204010 · Subscriptions                   | 392.98            | 1,000.00          | -607.02            | 39.3%          |
| 5204020 · Dues and Membership Fees        | 3,200.00          | 3,900.00          | -700.00            | 82.1%          |
| 5204030 · Legal Document Fees             | 0.00              | 300.00            | -300.00            | 0.0%           |
| 5204040 · Consultant Fees-Accounting      | 3,600.00          | 3,600.00          | 0.00               | 100.0%         |
| 5204050 · Consultant Fees - Computer      | 5,754.39          | 15,000.00         | -9,245.61          | 38.4%          |
| 5204060 · Consultant Fees-Educat/Training | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5204080 · Consultant Fees--Legal          | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5204130 · Consultant Fees-Other           | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5204160 · Workshop Registration Fees      | 0.00              | 7,500.00          | -7,500.00          | 0.0%           |
| 5204180 · Computer Services-State         | 3,215.58          | 5,000.00          | -1,784.42          | 64.3%          |
| 5204181 · Computer Development Serv-State | 120.40            | 2,000.00          | -1,879.60          | 6.0%           |
| 5204190 · Computer Services-Private       | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5204200 · Central Services                | 5,455.23          | 9,000.00          | -3,544.77          | 60.6%          |
| 5204220 · Equipment Service & Maintenance | 40.38             | 300.00            | -259.62            | 13.5%          |
| 5204230 · Janitorial/Maintenance Services | 1,139.68          | 1,725.00          | -585.32            | 66.1%          |
| 5204320 · Audit Services-Private          | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5204340 · Computer Software Maintenance   | 0.00              | 1,000.00          | -1,000.00          | 0.0%           |
| 5204360 · Advertising-Newspapers          | 0.00              | 500.00            | -500.00            | 0.0%           |
| 5204390 · Advertising-Brochures           | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5204440 · Newsletter Publishing           | 0.00              | 100.00            | -100.00            | 0.0%           |
| 5204460 · Equipment Rental                | 2,670.44          | 4,000.00          | -1,329.56          | 66.8%          |
| 5204480 · Microfilm and Photography       | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5204490 · Rents Privately Owned Property  | 11,046.00         | 16,569.00         | -5,523.00          | 66.7%          |
| 5204500 · Rents-County/Municipal          | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5204510 · Rent-Other                      | 0.00              | 500.00            | -500.00            | 0.0%           |
| 5204530 · Telecommunications Services     | 2,083.13          | 5,500.00          | -3,416.87          | 37.9%          |
| 5204540 · Electricity                     | 513.71            | 865.00            | -351.29            | 59.4%          |
| 5204560 · Water                           | 95.94             | 240.00            | -144.06            | 40.0%          |
| 5204580 · Trucking, Drayage, and Freight  | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5204590 · Insurance Premiums/Surety Bonds | 0.00              | 1,710.00          | -1,710.00          | 0.0%           |
| 5204730 · Maintenance Contracts           | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5204740 · Bank Fees and Charges           | 4,781.86          | 6,500.00          | -1,718.14          | 73.6%          |
| 5204960 · Other Contractual Services      | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5205020 · Office Supplies                 | 160.89            | 3,000.00          | -2,839.11          | 5.4%           |
| 5205028 · OFFICE SUPPLIES-2               | 12.53             | 0.00              | 12.53              | 100.0%         |
| 5205060 · Maintenance/Janitorial Supplies | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5205310 · Printing State                  | 0.00              | 350.00            | -350.00            | 0.0%           |
| 5205320 · Printing/Duplicating/Binding Co | 131.10            | 500.00            | -368.90            | 26.2%          |
| 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                         | 2,000.00          | 2,000.00          | 0.00               | 100.0%         |
| 5207430 · Office Machines                 | 0.00              | 100.00            | -100.00            | 0.0%           |
| 5207440 · Filling Equipment               | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5207450 · Office Equipment and Fixtures   | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5207490 · Telephone Equipment             | 0.00              | 0.00              | 0.00               | 0.0%           |
| 5207900 · Computer Hardware               | 640.78            | 6,800.00          | -6,159.22          | 9.4%           |
| 5207950 · System Development              | 0.00              | 1,000.00          | -1,000.00          | 0.0%           |
| 5207955 · Computer Hardware Other         | 0.00              | 500.00            | -500.00            | 0.0%           |
| 5207960 · Computer Software Expense       | 0.00              | 1,000.00          | -1,000.00          | 0.0%           |
| 5228000 · Operating Transfers Out-NonBudg | 4,767.41          | 8,000.00          | -3,232.59          | 59.6%          |
| 5228030 · Depreciation Expense            | 3,786.08          | 5,679.12          | -1,893.04          | 66.7%          |
| <b>Total Expense</b>                      | <b>157,051.60</b> | <b>304,055.12</b> | <b>-147,003.52</b> | <b>51.7%</b>   |
| <b>Net Ordinary Income</b>                | <b>99,144.02</b>  | <b>-62,935.12</b> | <b>162,079.14</b>  | <b>-157.5%</b> |

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
 July 2020 through February 2021

|                                    | <u>Jul '20 - Feb 21</u> | <u>Budget</u>     | <u>\$ Over Budget</u> | <u>% of Budget</u> |
|------------------------------------|-------------------------|-------------------|-----------------------|--------------------|
| <b>Other Income/Expense</b>        |                         |                   |                       |                    |
| <b>Other Expense</b>               |                         |                   |                       |                    |
| 5228090 · SecurtyLendingRebateFees | 0.00                    | 0.00              | 0.00                  | 0.0%               |
| <b>Total Other Expense</b>         | 0.00                    | 0.00              | 0.00                  | 0.0%               |
| <b>Net Other Income</b>            | 0.00                    | 0.00              | 0.00                  | 0.0%               |
| <b>Net Income</b>                  | <u>99,144.02</u>        | <u>-62,935.12</u> | <u>162,079.14</u>     | <u>-157.5%</u>     |

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
**February 2021**

|   | Feb 21                   | Feb 20                   | \$ Change              | % Change            |
|---|--------------------------|--------------------------|------------------------|---------------------|
| <b>Ordinary Income/Expense</b>            |                          |                          |                        |                     |
| <b>Income</b>                             |                          |                          |                        |                     |
| 4293550 · Initial Individual Certificate  | 175.00                   | 125.00                   | 50.00                  | 40.0%               |
| 4293552 · Certificate Renewals-Inactive   | 50.00                    | 0.00                     | 50.00                  | 100.0%              |
| 4293554 · Initial Firm Permits            | 50.00                    | 100.00                   | -50.00                 | -50.0%              |
| 4293555 · Firm Permit Renewals            | 50.00                    | 0.00                     | 50.00                  | 100.0%              |
| 4293557 · Initial Audit                   | 90.00                    | 30.00                    | 60.00                  | 200.0%              |
| 4293558 · Re-Exam Audit                   | 60.00                    | 0.00                     | 60.00                  | 100.0%              |
| 4293561 · Late Fees-Certificate Renewals  | 50.00                    | 0.00                     | 50.00                  | 100.0%              |
| 4293564 · Late Fees-Peer Review           | 100.00                   | 0.00                     | 100.00                 | 100.0%              |
| 4293566 · Firm Permit Owners              | 325.00                   | 1,065.00                 | -740.00                | -69.5%              |
| 4293569 · Initial FAR                     | 90.00                    | 0.00                     | 90.00                  | 100.0%              |
| 4293570 · Initial REG                     | 60.00                    | 30.00                    | 30.00                  | 100.0%              |
| 4293572 · Re-Exam FAR                     | 90.00                    | 60.00                    | 30.00                  | 50.0%               |
| 4293573 · Re-Exam REG                     | 30.00                    | 0.00                     | 30.00                  | 100.0%              |
| 4293574 · Re-Exam BEC                     | 120.00                   | 0.00                     | 120.00                 | 100.0%              |
| 4896021 · Legal Recovery Cost             | 0.00                     | 250.00                   | -250.00                | -100.0%             |
| <b>Total Income</b>                       | <u>1,340.00</u>          | <u>1,660.00</u>          | <u>-320.00</u>         | <u>-19.3%</u>       |
| <b>Gross Profit</b>                       | 1,340.00                 | 1,660.00                 | -320.00                | -19.3%              |
| <b>Expense</b>                            |                          |                          |                        |                     |
| 5101010 · F-T Emp Sal & Wages             | 5,451.40                 | 5,109.32                 | 342.08                 | 6.7%                |
| 5101020 · P-T/Temp Emp Sal & Wages        | 3,770.27                 | 3,056.64                 | 713.63                 | 23.4%               |
| 5101030 · Board & Comm Mbrs Fees          | 600.00                   | 0.00                     | 600.00                 | 100.0%              |
| 5102010 · OASI-Employer's Share           | 616.95                   | 552.76                   | 64.19                  | 11.6%               |
| 5102020 · Retirement-ER Share             | 553.30                   | 450.12                   | 103.18                 | 22.9%               |
| 5102060 · Health /Life Ins.-ER Share      | 2,761.51                 | 1,703.34                 | 1,058.17               | 62.1%               |
| 5102080 · Worker's Compensation           | 16.57                    | 10.61                    | 5.96                   | 56.2%               |
| 5102090 · Unemployment Insurance          | 9.23                     | 3.59                     | 5.64                   | 157.1%              |
| 5204050 · Consultant Fees - Computer      | 0.00                     | 5,439.17                 | -5,439.17              | -100.0%             |
| 5204160 · Workshop Registration Fees      | 0.00                     | 1,390.00                 | -1,390.00              | -100.0%             |
| 5204180 · Computer Services-State         | 0.00                     | 469.80                   | -469.80                | -100.0%             |
| 5204200 · Central Services                | 1,052.30                 | 1,431.94                 | -379.64                | -26.5%              |
| 5204220 · Equipment Service & Maintenance | 5.71                     | 4.03                     | 1.68                   | 41.7%               |
| 5204230 · Janitorial/Maintenance Services | 142.46                   | 139.67                   | 2.79                   | 2.0%                |
| 5204460 · Equipment Rental                | 751.36                   | 682.00                   | 69.36                  | 10.2%               |
| 5204490 · Rents Privately Owned Property  | 1,380.75                 | 1,380.75                 | 0.00                   | 0.0%                |
| 5204530 · Telecommunications Services     | 105.92                   | 124.22                   | -18.30                 | -14.7%              |
| 5204540 · Electricity                     | 72.62                    | 100.40                   | -27.78                 | -27.7%              |
| 5204560 · Water                           | 12.35                    | 0.00                     | 12.35                  | 100.0%              |
| 5204590 · Insurance Premiums/Surety Bonds | 0.00                     | 50.00                    | -50.00                 | -100.0%             |
| 5204740 · Bank Fees and Charges           | 27.75                    | 118.84                   | -91.09                 | -76.7%              |
| 5205020 · Office Supplies                 | 56.60                    | 104.39                   | -47.79                 | -45.8%              |
| 5228000 · Operating Transfers Out-NonBudg | 683.93                   | 863.23                   | -179.30                | -20.8%              |
| 5228030 · Depreciation Expense            | 473.26                   | 473.26                   | 0.00                   | 0.0%                |
| <b>Total Expense</b>                      | <u>18,544.24</u>         | <u>23,658.08</u>         | <u>-5,113.84</u>       | <u>-21.6%</u>       |
| <b>Net Ordinary Income</b>                | <u>-17,204.24</u>        | <u>-21,998.08</u>        | <u>4,793.84</u>        | <u>21.8%</u>        |
| <b>Net Income</b>                         | <u><u>-17,204.24</u></u> | <u><u>-21,998.08</u></u> | <u><u>4,793.84</u></u> | <u><u>21.8%</u></u> |

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
 July 2020 through February 2021

|   | Jul '20 - Feb 21  | Jul '19 - Feb 20  | \$ Change        | % Change    |
|---|-------------------|-------------------|------------------|-------------|
| <b>Ordinary Income/Expense</b>            |                   |                   |                  |             |
| <b>Income</b>                             |                   |                   |                  |             |
| 4293550 · Initial Individual Certificate  | 2,000.00          | 4,610.00          | -2,610.00        | -56.6%      |
| 4293551 · Certificate Renewals-Active     | 66,750.00         | 62,940.00         | 3,810.00         | 6.1%        |
| 4293552 · Certificate Renewals-Inactive   | 22,200.00         | 19,710.00         | 2,490.00         | 12.6%       |
| 4293553 · Certificate Renewals-Retired    | 1,480.00          | 1,240.00          | 240.00           | 19.4%       |
| 4293554 · Initial Firm Permits            | 300.00            | 450.00            | -150.00          | -33.3%      |
| 4293555 · Firm Permit Renewals            | 15,600.00         | 11,050.00         | 4,550.00         | 41.2%       |
| 4293557 · Initial Audit                   | 270.00            | 150.00            | 120.00           | 80.0%       |
| 4293558 · Re-Exam Audit                   | 1,033.88          | 1,290.00          | -256.12          | -19.9%      |
| 4293560 · Late Fees-Initial Certificate   | 50.00             | 50.00             | 0.00             | 0.0%        |
| 4293561 · Late Fees-Certificate Renewals  | 3,550.00          | 2,750.00          | 800.00           | 29.1%       |
| 4293563 · Late Fees-Firm Permit Renewals  | 750.00            | 300.00            | 450.00           | 150.0%      |
| 4293564 · Late Fees-Peer Review           | 1,550.00          | 450.00            | 1,100.00         | 244.4%      |
| 4293566 · Firm Permit Owners              | 125,055.00        | 114,265.00        | 10,790.00        | 9.4%        |
| 4293567 · Peer Review Admin Fee           | 1,650.00          | 75.00             | 1,575.00         | 2,100.0%    |
| 4293568 · Firm Permit Name Change         | 0.00              | 125.00            | -125.00          | -100.0%     |
| 4293569 · Initial FAR                     | 600.00            | 330.00            | 270.00           | 81.8%       |
| 4293570 · Initial REG                     | 180.00            | 270.00            | -90.00           | -33.3%      |
| 4293571 · Inital BEC                      | 150.00            | 180.00            | -30.00           | -16.7%      |
| 4293572 · Re-Exam FAR                     | 780.00            | 990.00            | -210.00          | -21.2%      |
| 4293573 · Re-Exam REG                     | 570.00            | 1,230.00          | -660.00          | -53.7%      |
| 4293574 · Re-Exam BEC                     | 660.00            | 1,050.00          | -390.00          | -37.1%      |
| 4491000 · Interest and Dividend Revenue   | 11,016.74         | 9,932.08          | 1,084.66         | 10.9%       |
| 4896021 · Legal Recovery Cost             | 0.00              | 600.00            | -600.00          | -100.0%     |
| <b>Total Income</b>                       | <b>256,195.62</b> | <b>234,037.08</b> | <b>22,158.54</b> | <b>9.5%</b> |
| <b>Gross Profit</b>                       | <b>256,195.62</b> | <b>234,037.08</b> | <b>22,158.54</b> | <b>9.5%</b> |
| <b>Expense</b>                            |                   |                   |                  |             |
| 5101010 · F-T Emp Sal & Wages             | 43,099.46         | 45,362.17         | -2,262.71        | -5.0%       |
| 5101020 · P-T/Temp Emp Sal & Wages        | 28,917.97         | 25,686.49         | 3,231.48         | 12.6%       |
| 5101030 · Board & Comm Mbrs Fees          | 3,480.00          | 3,720.00          | -240.00          | -6.5%       |
| 5102010 · OASI-Employer's Share           | 5,083.85          | 5,102.85          | -19.00           | -0.4%       |
| 5102020 · Retirement-ER Share             | 4,076.55          | 4,031.41          | 45.14            | 1.1%        |
| 5102060 · Health /Life Ins.-ER Share      | 16,583.44         | 14,703.42         | 1,880.02         | 12.8%       |
| 5102080 · Worker's Compensation           | 129.60            | 92.36             | 37.24            | 40.3%       |
| 5102090 · Unemployment Insurance          | 72.22             | 31.24             | 40.98            | 131.2%      |
| 5203010 · Auto--State Owned               | 0.00              | 47.79             | -47.79           | -100.0%     |
| 5203020 · Auto-Private-Ownes Low Mileage  | 0.00              | 104.42            | -104.42          | -100.0%     |
| 5203030 · In State-Auto- Priv. High Miles | 0.00              | 749.28            | -749.28          | -100.0%     |
| 5203100 · In State-Lodging                | 0.00              | 338.00            | -338.00          | -100.0%     |
| 5203150 · InState-Non-Tax Meals OverNight | 0.00              | 138.00            | -138.00          | -100.0%     |
| 5203260 · OS-Air Commercial Carrier       | 0.00              | 3,017.53          | -3,017.53        | -100.0%     |
| 5203280 · OS-Other Public Carrier         | 0.00              | 147.56            | -147.56          | -100.0%     |
| 5203300 · OS-Lodging                      | 0.00              | 4,109.43          | -4,109.43        | -100.0%     |
| 5203320 · OS-Incidentals to Travel        | 0.00              | 274.00            | -274.00          | -100.0%     |
| 5203350 · OS-Non-Taxable Meals Overnight  | 0.00              | 416.00            | -416.00          | -100.0%     |
| 5204010 · Subscriptions                   | 392.98            | 363.83            | 29.15            | 8.0%        |
| 5204020 · Dues and Membership Fees        | 3,200.00          | 3,200.00          | 0.00             | 0.0%        |
| 5204040 · Consultant Fees-Accounting      | 3,600.00          | 5,200.00          | -1,600.00        | -30.8%      |

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
**July 2020 through February 2021**

|   | Jul '20 - Feb 21  | Jul '19 - Feb 20  | \$ Change         | % Change      |
|---|-------------------|-------------------|-------------------|---------------|
| 5204050 · Consultant Fees - Computer      | 5,754.39          | 11,064.17         | -5,309.78         | -48.0%        |
| 5204160 · Workshop Registration Fees      | 0.00              | 4,396.44          | -4,396.44         | -100.0%       |
| 5204180 · Computer Services-State         | 3,215.58          | 3,748.35          | -532.77           | -14.2%        |
| 5204181 · Computer Development Serv-State | 120.40            | 274.51            | -154.11           | -56.1%        |
| 5204200 · Central Services                | 5,455.23          | 5,701.38          | -246.15           | -4.3%         |
| 5204220 · Equipment Service & Maintenance | 40.38             | 46.48             | -6.10             | -13.1%        |
| 5204230 · Janitorial/Maintenance Services | 1,139.68          | 1,117.34          | 22.34             | 2.0%          |
| 5204460 · Equipment Rental                | 2,670.44          | 2,441.00          | 229.44            | 9.4%          |
| 5204490 · Rents Privately Owned Property  | 11,046.00         | 12,426.75         | -1,380.75         | -11.1%        |
| 5204530 · Telecommunications Services     | 2,083.13          | 1,490.38          | 592.75            | 39.8%         |
| 5204540 · Electricity                     | 513.71            | 679.20            | -165.49           | -24.4%        |
| 5204560 · Water                           | 95.94             | 89.40             | 6.54              | 7.3%          |
| 5204590 · Insurance Premiums/Surety Bonds | 0.00              | 50.00             | -50.00            | -100.0%       |
| 5204740 · Bank Fees and Charges           | 4,781.86          | 4,847.02          | -65.16            | -1.3%         |
| 5204960 · Other Contractual Services      | 0.00              | 883.43            | -883.43           | -100.0%       |
| 5205020 · Office Supplies                 | 160.89            | 563.15            | -402.26           | -71.4%        |
| 5205028 · OFFICE SUPPLIES-2               | 12.53             | 6.58              | 5.95              | 90.4%         |
| 5205320 · Printing/Duplicating/Binding Co | 131.10            | 106.95            | 24.15             | 22.6%         |
| 5205350 · Postage                         | 2,000.00          | 0.00              | 2,000.00          | 100.0%        |
| 5207900 · Computer Hardware               | 640.78            | 653.40            | -12.62            | -1.9%         |
| 5228000 · Operating Transfers Out-NonBudg | 4,767.41          | 4,348.27          | 419.14            | 9.6%          |
| 5228030 · Depreciation Expense            | 3,786.08          | 3,786.08          | 0.00              | 0.0%          |
| <b>Total Expense</b>                      | <b>157,051.60</b> | <b>175,556.06</b> | <b>-18,504.46</b> | <b>-10.5%</b> |
| <b>Net Ordinary Income</b>                | <b>99,144.02</b>  | <b>58,481.02</b>  | <b>40,663.00</b>  | <b>69.5%</b>  |
| <b>Net Income</b>                         | <b>99,144.02</b>  | <b>58,481.02</b>  | <b>40,663.00</b>  | <b>69.5%</b>  |

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

| COMPANY                        | CENTER       | ACCOUNT | BALANCE    | DR/CR  | CENTER DESCRIPTION   |
|--------------------------------|--------------|---------|------------|--------|----------------------|
| 6503                           | 103100061802 | 1140000 | 464,306.65 | DR     | BOARD OF ACCOUNTANCY |
| COMPANY/SOURCE TOTAL 6503 618  |              |         | 464,306.65 | DR *   |                      |
| COMP/BUDG UNIT TOTAL 6503 1031 |              |         | 464,306.65 | DR **  |                      |
| BUDGET UNIT TOTAL 1031         |              |         | 464,306.65 | DR *** |                      |



STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 01/31/2021

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

| COMP   | CENTER       | ACCOUNT  | DOCUMENT NUMBER | POSTING DATE | JV ABEVL # / OR PAYMENT # | SHORT NAME | VENDOR NUMBER | VENDOR GROUP | AMOUNT    | DR/CR |
|--|--------------|----------|-----------------|--------------|---------------------------|------------|---------------|--------------|-----------|-------|
| COMPANY NO 6503                              |              |          |                 |              |                           |            |               |              |           |       |
| COMPANY NAME PROFESSIONAL & LICENSING BOARDS |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 51010100 | CGEX201230      | 01/06/2021   |                           |            |               |              | 2,665.35  | DR    |
| 6503   | 103100061802 | 51010100 | CGEX210113      | 01/15/2021   |                           |            |               |              | 2,587.52  | DR    |
| OBJSUB: 5101010 F-T EMP SAL & WAGES          |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 51010200 | CGEX201230      | 01/06/2021   |                           |            |               |              | 5,252.87  | DR    |
| 6503   | 103100061802 | 51010200 | CGEX210113      | 01/15/2021   |                           |            |               |              | 2,022.36  | DR    |
| OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES     |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 51010300 | CGEX201230      | 01/06/2021   |                           |            |               |              | 4,159.78  | DR    |
| OBJSUB: 5101030 BOARD & COMM MERS FEES       |              |          |                 |              |                           |            |               |              |           |       |
| OBJECT: 5101 EMPLOYEE SALARIES               |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 51020100 | CGEX201230      | 01/06/2021   |                           |            |               |              | 9,592.65  | DR    |
| 6503   | 103100061802 | 51020100 | CGEX210113      | 01/15/2021   |                           |            |               |              | 317.62    | DR    |
| OBJSUB: 5102010 OASI-EMPLOYER'S SHARE        |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 51020200 | CGEX201230      | 01/06/2021   |                           |            |               |              | 624.71    | DR    |
| 6503   | 103100061802 | 51020200 | CGEX210113      | 01/15/2021   |                           |            |               |              | 281.26    | DR    |
| OBJSUB: 5102020 RETIREMENT-ER SHARE          |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 51020600 | CGEX201230      | 01/06/2021   |                           |            |               |              | 1,372.55  | DR    |
| 6503   | 103100061802 | 51020600 | CGEX210113      | 01/15/2021   |                           |            |               |              | 1,361.99  | DR    |
| OBJSUB: 5102060 HEALTH/LIFE INS -ER SHARE    |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 51020800 | CGEX201230      | 01/06/2021   |                           |            |               |              | 2,734.54  | DR    |
| 6503   | 103100061802 | 51020800 | CGEX210113      | 01/15/2021   |                           |            |               |              | 8.54      | DR    |
| OBJSUB: 5102080 WORKER'S COMPENSATION        |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 51020900 | CGEX201230      | 01/06/2021   |                           |            |               |              | 16.98     | DR    |
| 6503   | 103100061802 | 51020900 | CGEX210113      | 01/15/2021   |                           |            |               |              | 4.79      | DR    |
| OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION    |              |          |                 |              |                           |            |               |              |           |       |
| OBJECT: 5102 EMPLOYEE BENEFITS               |              |          |                 |              |                           |            |               |              |           |       |
| GROUP: 51 PERSONAL SERVICES                  |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 52041800 | DP112097        | 01/20/2021   |                           |            |               |              | 9.49      | DR    |
| OBJSUB: 5204180 COMPUTER SERVICES-STATE      |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 52042000 | PL112057        | 01/22/2021   |                           |            |               |              | 3,950.42  | DR    |
| 6503   | 103100061802 | 52042000 | RM112047        | 01/22/2021   |                           |            |               |              | 13,543.07 | DR    |
| OBJSUB: 5204200 CENTRAL SERVICES             |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 52042200 | INT793699       | 01/20/2021   |                           |            |               |              | 583.80    | DR    |
| OBJSUB: 5204220 EQUIPMENT SERV & MAINT       |              |          |                 |              |                           |            |               |              |           |       |
| 6503   | 103100061802 | 52042300 | 211006SEP-JUN21 | 01/15/2021   |                           |            |               |              | 81.45     | DR    |
| OBJSUB: 5204230 SUNSETOFFT                   |              |          |                 |              |                           |            |               |              |           |       |

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 01/31/2021

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

| COMP | CENTER       | ACCOUNT | DOCUMENT NUMBER              | POSTING DATE | JV APLVL # | OR PAYMENT # | SHORT NAME  | VENDOR NUMBER | VENDOR GROUP | AMOUNT    | DR/CR   |
|------|--------------|---------|------------------------------|--------------|------------|--------------|-------------|---------------|--------------|-----------|---------|
| 6503 | 103100061802 | 5204230 | JANITORIAL & MAINT SERV      | 01/08/2021   | 407016     |              | MCGINNISRO  | 12074040      |              | 1,380.75  | DR *    |
| 6503 | 103100061802 | 5204490 | RENTS-PRIVATE OWNED PROP.    | 01/08/2021   |            |              |             |               |              | 1,380.75  | DR *    |
| 6503 | 103100061802 | 5204530 | TELECOMMUNICATIONS SRVCS     | 01/13/2021   | 02374723   |              | XCELLENERGY | 12023853      |              | 204.31    | DR *    |
| 6503 | 103100061802 | 5204540 | ELECTRICITY                  | 01/15/2021   | 269320     |              |             |               |              | 29.33     | DR *    |
| 6503 | 103100061802 | 5204740 | BANK FEES AND CHARGES        | 01/27/2021   | 00697869   |              | NATLASSNST  | 12005047      |              | 74.60     | DR *    |
| 6503 | 103100061802 | 5204960 | OTHER CONTRACTUAL SERVICE    | 01/20/2021   | 00697237   |              | ECOWATERSY  | 12627232      |              | 6,976.86  | DR **   |
| 6503 | 103100061802 | 5205020 | CONTRACTUAL SERVICES         | 01/06/2021   | 00694434   |              | HPINC       | 12125515      | 11           | 9,856.75  | DR **   |
| 6503 | 103100061802 | 5205020 |                              | 01/31/2021   | 00700362   |              | HPINC       | 12125515      | 11           | 22.35     | DR      |
| 6503 | 103100061802 | 5205020 |                              | 01/13/2021   | 00695841   |              | QUADIENTIN  | 12215409      |              | 2.65      | DR      |
| 6503 | 103100061802 | 5205020 |                              | 01/22/2021   | 00697636   |              | STAPLESADV  | 12163692      | 01           | 1.47      | DR      |
| 6503 | 103100061802 | 5205320 | OFFICE SUPPLIES              | 01/13/2021   | 00695895   |              | PREFERREDP  | 12308425      |              | 21.36     | DR      |
| 6503 | 103100061802 | 5205350 | PRINTING-COMMERCIAL          | 01/06/2021   | 00035956   |              | USPOSTALSE  | 12005421      | A2           | 44.57     | DR      |
| 6503 | 103100061802 | 5228000 | POSTAGE SUPPLIES & MATERIALS | 01/13/2021   |            |              |             |               |              | 92.40     | DR *    |
|      |              |         |                              |              |            |              |             |               |              | 3.45      | DR *    |
|      |              |         |                              |              |            |              |             |               |              | 1,000.00  | DR **   |
|      |              |         |                              |              |            |              |             |               |              | 1,095.85  | DR **   |
|      |              |         |                              |              |            |              |             |               |              | 649.69    | DR **   |
|      |              |         |                              |              |            |              |             |               |              | 649.69    | DR **   |
|      |              |         |                              |              |            |              |             |               |              | 11,602.29 | DR ***  |
|      |              |         |                              |              |            |              |             |               |              | 25,145.36 | DR **** |
|      |              |         |                              |              |            |              |             |               |              | 25,145.36 | DR **** |
|      |              |         |                              |              |            |              |             |               |              | 25,145.36 | DR **** |

OPER TRANS OUT -NON BUDGT  
NONOP EXP/NONBGTD OP TR  
OPERATING EXPENSES

649.69 DR \*\*  
649.69 DR \*\*  
11,602.29 DR \*\*\*  
25,145.36 DR \*\*\*\*  
25,145.36 DR \*\*\*\*  
25,145.36 DR \*\*\*\*

**South Dakota Board of Accountancy**  
**Balance Sheet**  
As of January 31, 2021

|  | Jan 31, 21        |
|--|-------------------|
| <b>ASSETS</b>                            |                   |
| <b>Current Assets</b>                    |                   |
| <b>Checking/Savings</b>                  |                   |
| 1130000 · Local Checking - Great Western | 384.53            |
| 1140000 · Pool Cash State of SD          | 464,306.65        |
| <b>Total Checking/Savings</b>            | 464,691.18        |
| <b>Other Current Assets</b>              |                   |
| 1131000 · Interest Income Receivable     | 18,356.04         |
| 1213000 · Investment Income Receivable   | 2,086.30          |
| <b>Total Other Current Assets</b>        | 20,442.34         |
| <b>Total Current Assets</b>              | 485,133.52        |
| <b>Fixed Assets</b>                      |                   |
| 1670000 · Computer Software              |                   |
| Original Cost                            | 34,075.00         |
| 1770000 · Depreciation                   | -15,617.86        |
| <b>Total 1670000 · Computer Software</b> | 18,457.14         |
| <b>Total Fixed Assets</b>                | 18,457.14         |
| <b>TOTAL ASSETS</b>                      | <b>503,590.66</b> |
| <b>LIABILITIES &amp; EQUITY</b>          |                   |
| <b>Liabilities</b>                       |                   |
| <b>Current Liabilities</b>               |                   |
| <b>Accounts Payable</b>                  |                   |
| 2110000 · Accounts Payable               | 10,283.29         |
| <b>Total Accounts Payable</b>            | 10,283.29         |
| <b>Other Current Liabilities</b>         |                   |
| 2430000 · Accrued Wages Payable          | 9,683.65          |
| 2810000 · Amounts Held for Others        | 12,266.19         |
| <b>Total Other Current Liabilities</b>   | 21,949.84         |
| <b>Total Current Liabilities</b>         | 32,233.13         |
| <b>Long Term Liabilities</b>             |                   |
| 2960000 · Compensated Absences Payable   | 28,538.78         |
| <b>Total Long Term Liabilities</b>       | 28,538.78         |
| <b>Total Liabilities</b>                 | 60,771.91         |
| <b>Equity</b>                            |                   |
| 3220000 · Net Position                   | 299,367.60        |
| 3300100 · Invested In Capital Assets     | 18,457.42         |
| 3900 · Retained Earnings                 | 2,414.64          |
| Net Income                               | 122,579.09        |
| <b>Total Equity</b>                      | 442,818.75        |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>    | <b>503,590.66</b> |

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
 July 2020 through January 2021

|   | Jul '20 - Jan 21  | Budget            | \$ Over Budget   |
|---|-------------------|-------------------|------------------|
| <b>Ordinary Income/Expense</b>            |                   |                   |                  |
| <b>Income</b>                             |                   |                   |                  |
| 4293550 · Initial Individual Certificate  | 1,825.00          | 2,500.00          | -675.00          |
| 4293551 · Certificate Renewals-Active     | 66,750.00         | 62,500.00         | 4,250.00         |
| 4293552 · Certificate Renewals-Inactive   | 22,150.00         | 21,000.00         | 1,150.00         |
| 4293553 · Certificate Renewals-Retired    | 1,480.00          | 1,450.00          | 30.00            |
| 4293554 · Initial Firm Permits            | 250.00            | 700.00            | -450.00          |
| 4293555 · Firm Permit Renewals            | 15,550.00         | 14,500.00         | 1,050.00         |
| 4293557 · Initial Audit                   | 180.00            | 900.00            | -720.00          |
| 4293558 · Re-Exam Audit                   | 973.88            | 2,460.00          | -1,486.12        |
| 4293560 · Late Fees-Initial Certificate   | 50.00             | 0.00              | 50.00            |
| 4293561 · Late Fees-Certificate Renewals  | 3,500.00          | 3,000.00          | 500.00           |
| 4293563 · Late Fees-Firm Permit Renewals  | 750.00            | 500.00            | 250.00           |
| 4293564 · Late Fees-Peer Review           | 1,450.00          | 1,300.00          | 150.00           |
| 4293566 · Firm Permit Owners              | 124,730.00        | 109,000.00        | 15,730.00        |
| 4293567 · Peer Review Admin Fee           | 1,650.00          | 5,500.00          | -3,850.00        |
| 4293568 · Firm Permit Name Change         | 0.00              | 100.00            | -100.00          |
| 4293569 · Initial FAR                     | 510.00            | 1,140.00          | -630.00          |
| 4293570 · Initial REG                     | 120.00            | 660.00            | -540.00          |
| 4293571 · Inital BEC                      | 150.00            | 930.00            | -780.00          |
| 4293572 · Re-Exam FAR                     | 690.00            | 1,860.00          | -1,170.00        |
| 4293573 · Re-Exam REG                     | 540.00            | 2,310.00          | -1,770.00        |
| 4293574 · Re-Exam BEC                     | 540.00            | 2,310.00          | -1,770.00        |
| 4491000 · Interest and Dividend Revenue   | 11,016.74         | 5,500.00          | 5,516.74         |
| 4896021 · Legal Recovery Cost             | 0.00              | 1,000.00          | -1,000.00        |
| <b>Total Income</b>                       | <b>254,855.62</b> | <b>241,120.00</b> | <b>13,735.62</b> |
| <b>Gross Profit</b>                       | <b>254,855.62</b> | <b>241,120.00</b> | <b>13,735.62</b> |
| <b>Expense</b>                            |                   |                   |                  |
| 5101010 · F-T Emp Sal & Wages             | 37,648.06         | 86,257.00         | -48,608.94       |
| 5101020 · P-T/Temp Emp Sal & Wages        | 25,147.70         | 45,096.00         | -19,948.30       |
| 5101030 · Board & Comm Mbrs Fees          | 2,880.00          | 4,969.00          | -2,089.00        |
| 5102010 · OASI-Employer's Share           | 4,466.90          | 10,048.00         | -5,581.10        |
| 5102020 · Retirement-ER Share             | 3,523.25          | 7,881.00          | -4,357.75        |
| 5102060 · Health /Life Ins.-ER Share      | 13,821.93         | 10,809.00         | 3,012.93         |
| 5102080 · Worker's Compensation           | 113.03            | 276.00            | -162.97          |
| 5102090 · Unemployment Insurance          | 62.99             | 131.00            | -68.01           |
| 5203010 · Auto--State Owned               | 0.00              | 250.00            | -250.00          |
| 5203020 · Auto-Private-Ownes Low Mileage  | 0.00              | 400.00            | -400.00          |
| 5203030 · In State-Auto- Priv. High Miles | 0.00              | 1,500.00          | -1,500.00        |
| 5203060 · In State-Air Commercial Carrier | 0.00              | 0.00              | 0.00             |
| 5203080 · In State-Other Public Carrier   | 0.00              | 0.00              | 0.00             |
| 5203100 · In State-Lodging                | 0.00              | 1,000.00          | -1,000.00        |
| 5203120 · In State-Incidentals to Travel  | 0.00              | 100.00            | -100.00          |
| 5203130 · Nonemployment Travel            | 0.00              | 0.00              | 0.00             |
| 5203140 · InState-Tax Meals Not Overnigt  | 0.00              | 100.00            | -100.00          |
| 5203150 · InState-Non-Tax Meals OverNight | 0.00              | 400.00            | -400.00          |
| 5203220 · OS-Auto Private Low Mileage     | 0.00              | 0.00              | 0.00             |
| 5203230 · OS-Auto Private High Mileage    | 0.00              | 200.00            | -200.00          |

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
 July 2020 through January 2021

|   | Jul '20 - Jan 21  | Budget            | \$ Over Budget     |
|---|-------------------|-------------------|--------------------|
| 5203260 · OS-Air Commercial Carrier       | 0.00              | 7,000.00          | -7,000.00          |
| 5203280 · OS-Other Public Carrier         | 0.00              | 700.00            | -700.00            |
| 5203300 · OS-Lodging                      | 0.00              | 9,000.00          | -9,000.00          |
| 5203320 · OS-Incidentals to Travel        | 0.00              | 500.00            | -500.00            |
| 5203330 · OS-Nonemployment Travel         | 0.00              | 0.00              | 0.00               |
| 5203340 · OS-Taxable Meals-Not Overnight  | 0.00              | 0.00              | 0.00               |
| 5203350 · OS-Non-Taxable Meals Overnight  | 0.00              | 1,000.00          | -1,000.00          |
| 5204010 · Subscriptions                   | 392.98            | 1,000.00          | -607.02            |
| 5204020 · Dues and Membership Fees        | 3,200.00          | 3,900.00          | -700.00            |
| 5204030 · Legal Document Fees             | 0.00              | 300.00            | -300.00            |
| 5204040 · Consultant Fees-Accounting      | 0.00              | 3,600.00          | -3,600.00          |
| 5204050 · Consultant Fees - Computer      | 3,836.26          | 15,000.00         | -11,163.74         |
| 5204060 · Consultant Fees-Educat/Training | 0.00              | 0.00              | 0.00               |
| 5204080 · Consultant Fees--Legal          | 0.00              | 0.00              | 0.00               |
| 5204130 · Consultant Fees-Other           | 0.00              | 0.00              | 0.00               |
| 5204160 · Workshop Registration Fees      | 0.00              | 7,500.00          | -7,500.00          |
| 5204180 · Computer Services-State         | 3,215.58          | 5,000.00          | -1,784.42          |
| 5204181 · Computer Development Serv-State | 120.40            | 2,000.00          | -1,879.60          |
| 5204190 · Computer Services-Private       | 0.00              | 0.00              | 0.00               |
| 5204200 · Central Services                | 3,722.52          | 9,000.00          | -5,277.48          |
| 5204220 · Equipment Service & Maintenance | 34.67             | 300.00            | -265.33            |
| 5204230 · Janitorial/Maintenance Services | 997.22            | 1,725.00          | -727.78            |
| 5204320 · Audit Services-Private          | 0.00              | 0.00              | 0.00               |
| 5204340 · Computer Software Maintenance   | 0.00              | 1,000.00          | -1,000.00          |
| 5204360 · Advertising-Newspapers          | 0.00              | 500.00            | -500.00            |
| 5204390 · Advertising-Brochures           | 0.00              | 0.00              | 0.00               |
| 5204440 · Newsletter Publishing           | 0.00              | 100.00            | -100.00            |
| 5204460 · Equipment Rental                | 1,919.08          | 4,000.00          | -2,080.92          |
| 5204480 · Microfilm and Photography       | 0.00              | 0.00              | 0.00               |
| 5204490 · Rents Privately Owned Property  | 9,665.25          | 16,569.00         | -6,903.75          |
| 5204500 · Rents-County/Municipal          | 0.00              | 0.00              | 0.00               |
| 5204510 · Rent-Other                      | 0.00              | 500.00            | -500.00            |
| 5204530 · Telecommunications Services     | 1,977.21          | 5,500.00          | -3,522.79          |
| 5204540 · Electricity                     | 441.09            | 865.00            | -423.91            |
| 5204560 · Water                           | 83.59             | 240.00            | -156.41            |
| 5204580 · Trucking, Drayage, and Freight  | 0.00              | 0.00              | 0.00               |
| 5204590 · Insurance Premiums/Surety Bonds | 0.00              | 1,710.00          | -1,710.00          |
| 5204730 · Maintenance Contracts           | 0.00              | 0.00              | 0.00               |
| 5204740 · Bank Fees and Charges           | 4,721.82          | 6,500.00          | -1,778.18          |
| 5204960 · Other Contractual Services      | 0.00              | 0.00              | 0.00               |
| 5205020 · Office Supplies                 | 104.29            | 3,000.00          | -2,895.71          |
| 5205028 · OFFICE SUPPLIES-2               | 12.53             | 0.00              | 12.53              |
| 5205060 · Maintenance/Janitorial Supplies | 0.00              | 0.00              | 0.00               |
| 5205310 · Printing State                  | 0.00              | 350.00            | -350.00            |
| 5205320 · Printing/Duplicating/Binding Co | 131.10            | 500.00            | -368.90            |
| 5205330 · Supplemental Publications       | 0.00              | 700.00            | -700.00            |
| 5205340 · Microfilm Supplies/Materials    | 0.00              | 0.00              | 0.00               |
| 5205350 · Postage                         | 2,000.00          | 2,000.00          | 0.00               |
| 5207430 · Office Machines                 | 0.00              | 100.00            | -100.00            |
| 5207440 · Filing Equipment                | 0.00              | 0.00              | 0.00               |
| 5207450 · Office Equipment and Fixtures   | 0.00              | 0.00              | 0.00               |
| 5207490 · Telephone Equipment             | 0.00              | 0.00              | 0.00               |
| 5207900 · Computer Hardware               | 640.78            | 6,800.00          | -6,159.22          |
| 5207950 · System Development              | 0.00              | 1,000.00          | -1,000.00          |
| 5207955 · Computer Hardware Other         | 0.00              | 500.00            | -500.00            |
| 5207960 · Computer Software Expense       | 0.00              | 1,000.00          | -1,000.00          |
| 5228000 · Operating Transfers Out-NonBudg | 4,083.48          | 8,000.00          | -3,916.52          |
| 5228030 · Depreciation Expense            | 3,312.82          | 5,679.12          | -2,366.30          |
| <b>Total Expense</b>                      | <b>132,276.53</b> | <b>304,055.12</b> | <b>-171,778.59</b> |
| <b>Net Ordinary Income</b>                | <b>122,579.09</b> | <b>-62,935.12</b> | <b>185,514.21</b>  |

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
July 2020 through January 2021

---

|                                    | <u>Jul '20 - Jan 21</u> | <u>Budget</u>     | <u>\$ Over Budget</u> |
|------------------------------------|-------------------------|-------------------|-----------------------|
| Other Income/Expense               |                         |                   |                       |
| Other Expense                      |                         |                   |                       |
| 5228090 · SecurtyLendingRebateFees | 0.00                    | 0.00              | 0.00                  |
| Total Other Expense                | 0.00                    | 0.00              | 0.00                  |
| Net Other Income                   | 0.00                    | 0.00              | 0.00                  |
| Net Income                         | <u>122,579.09</u>       | <u>-62,935.12</u> | <u>185,514.21</u>     |

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
**January 2021**

|   | Jan 21          | Jan 20          | \$ Change       | % Change     |
|---|-----------------|-----------------|-----------------|--------------|
| <b>Ordinary Income/Expense</b>            |                 |                 |                 |              |
| <b>Income</b>                             |                 |                 |                 |              |
| 4293550 · Initial Individual Certificate  | 300.00          | 200.00          | 100.00          | 50.0%        |
| 4293551 · Certificate Renewals-Active     | 50.00           | 40.00           | 10.00           | 25.0%        |
| 4293552 · Certificate Renewals-Inactive   | 900.00          | 0.00            | 900.00          | 100.0%       |
| 4293554 · Initial Firm Permits            | 100.00          | 50.00           | 50.00           | 100.0%       |
| 4293557 · Initial Audit                   | 30.00           | 30.00           | 0.00            | 0.0%         |
| 4293558 · Re-Exam Audit                   | 13.88           | 240.00          | -226.12         | -94.2%       |
| 4293561 · Late Fees-Certificate Renewals  | 950.00          | 0.00            | 950.00          | 100.0%       |
| 4293564 · Late Fees-Peer Review           | 0.00            | 200.00          | -200.00         | -100.0%      |
| 4293566 · Firm Permit Owners              | 325.00          | 65.00           | 260.00          | 400.0%       |
| 4293569 · Initial FAR                     | 30.00           | 30.00           | 0.00            | 0.0%         |
| 4293570 · Initial REG                     | 0.00            | 90.00           | -90.00          | -100.0%      |
| 4293571 · Initial BEC                     | 0.00            | 30.00           | -30.00          | -100.0%      |
| 4293572 · Re-Exam FAR                     | 60.00           | 60.00           | 0.00            | 0.0%         |
| 4293573 · Re-Exam REG                     | 60.00           | 120.00          | -60.00          | -50.0%       |
| 4293574 · Re-Exam BEC                     | 60.00           | 30.00           | 30.00           | 100.0%       |
| 4896021 · Legal Recovery Cost             | 0.00            | 350.00          | -350.00         | -100.0%      |
| <b>Total Income</b>                       | <b>2,878.88</b> | <b>1,535.00</b> | <b>1,343.88</b> | <b>87.6%</b> |
| <b>Gross Profit</b>                       | <b>2,878.88</b> | <b>1,535.00</b> | <b>1,343.88</b> | <b>87.6%</b> |
| <b>Expense</b>                            |                 |                 |                 |              |
| 5101010 · F-T Emp Sal & Wages             | 5,252.87        | 7,612.52        | -2,359.65       | -31.0%       |
| 5101020 · P-T/Temp Emp Sal & Wages        | 4,159.78        | 5,064.46        | -904.68         | -17.9%       |
| 5101030 · Board & Comm Mbrs Fees          | 180.00          | 600.00          | -420.00         | -70.0%       |
| 5102010 · OASI-Employer's Share           | 624.71          | 908.01          | -283.30         | -31.2%       |
| 5102020 · Retirement-ER Share             | 564.70          | 683.53          | -118.83         | -17.4%       |
| 5102060 · Health /Life Ins.-ER Share      | 2,734.54        | 2,548.39        | 186.15          | 7.3%         |
| 5102080 · Worker's Compensation           | 16.98           | 16.48           | 0.50            | 3.0%         |
| 5102090 · Unemployment Insurance          | 9.49            | 5.52            | 3.97            | 71.9%        |
| 5204050 · Consultant Fees - Computer      | 0.00            | 1,875.00        | -1,875.00       | -100.0%      |
| 5204180 · Computer Services-State         | 0.00            | 469.80          | -469.80         | -100.0%      |
| 5204200 · Central Services                | 383.19          | 165.83          | 217.36          | 131.1%       |
| 5204220 · Equipment Service & Maintenance | 2.45            | 4.18            | -1.73           | -41.4%       |
| 5204230 · Janitorial/Maintenance Services | 142.46          | 139.67          | 2.79            | 2.0%         |
| 5204460 · Equipment Rental                | 79.00           | 79.00           | 0.00            | 0.0%         |
| 5204490 · Rents Privately Owned Property  | 1,380.75        | 1,380.75        | 0.00            | 0.0%         |
| 5204530 · Telecommunications Services     | 106.00          | 222.17          | -116.17         | -52.3%       |
| 5204540 · Electricity                     | 66.87           | 89.86           | -22.99          | -25.6%       |
| 5204560 · Water                           | 22.35           | 44.70           | -22.35          | -50.0%       |
| 5204740 · Bank Fees and Charges           | 27.75           | 95.51           | -67.76          | -71.0%       |
| 5204960 · Other Contractual Services      | 0.00            | 302.75          | -302.75         | -100.0%      |
| 5205020 · Office Supplies                 | 4.12            | 0.00            | 4.12            | 100.0%       |
| 5205028 · OFFICE SUPPLIES-2               | 0.00            | 0.16            | -0.16           | -100.0%      |
| 5205320 · Printing/Duplicating/Binding Co | 13.80           | 24.15           | -10.35          | -42.9%       |
| 5205350 · Postage                         | 1,000.00        | 0.00            | 1,000.00        | 100.0%       |

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
**January 2021**

---

|   | <u>Jan 21</u>            | <u>Jan 20</u>            | <u>\$ Change</u>       | <u>% Change</u>     |
|---|--------------------------|--------------------------|------------------------|---------------------|
| 5228000 · Operating Transfers Out-NonBudg | 649.69                   | 278.18                   | 371.51                 | 133.6%              |
| 5228030 · Depreciation Expense            | 473.26                   | 473.26                   | 0.00                   | 0.0%                |
| <b>Total Expense</b>                      | <u>17,894.76</u>         | <u>23,083.88</u>         | <u>-5,189.12</u>       | <u>-22.5%</u>       |
| <b>Net Ordinary Income</b>                | <u>-15,015.88</u>        | <u>-21,548.88</u>        | <u>6,533.00</u>        | <u>30.3%</u>        |
| <b>Net Income</b>                         | <u><u>-15,015.88</u></u> | <u><u>-21,548.88</u></u> | <u><u>6,533.00</u></u> | <u><u>30.3%</u></u> |



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

January 2021

|   | Jan 21          | Jan 20          | \$ Change       | % Change     |
|---|-----------------|-----------------|-----------------|--------------|
| <b>Ordinary Income/Expense</b>            |                 |                 |                 |              |
| <b>Income</b>                             |                 |                 |                 |              |
| 4293550 · Initial Individual Certificate  | 300.00          | 200.00          | 100.00          | 50.0%        |
| 4293551 · Certificate Renewals-Active     | 50.00           | 40.00           | 10.00           | 25.0%        |
| 4293552 · Certificate Renewals-Inactive   | 900.00          | 0.00            | 900.00          | 100.0%       |
| 4293554 · Initial Firm Permits            | 100.00          | 50.00           | 50.00           | 100.0%       |
| 4293557 · Initial Audit                   | 30.00           | 30.00           | 0.00            | 0.0%         |
| 4293558 · Re-Exam Audit                   | 13.88           | 240.00          | -226.12         | -94.2%       |
| 4293561 · Late Fees-Certificate Renewals  | 950.00          | 0.00            | 950.00          | 100.0%       |
| 4293564 · Late Fees-Peer Review           | 0.00            | 200.00          | -200.00         | -100.0%      |
| 4293566 · Firm Permit Owners              | 325.00          | 65.00           | 260.00          | 400.0%       |
| 4293569 · Initial FAR                     | 30.00           | 30.00           | 0.00            | 0.0%         |
| 4293570 · Initial REG                     | 0.00            | 90.00           | -90.00          | -100.0%      |
| 4293571 · Initial BEC                     | 0.00            | 30.00           | -30.00          | -100.0%      |
| 4293572 · Re-Exam FAR                     | 60.00           | 60.00           | 0.00            | 0.0%         |
| 4293573 · Re-Exam REG                     | 60.00           | 120.00          | -60.00          | -50.0%       |
| 4293574 · Re-Exam BEC                     | 60.00           | 30.00           | 30.00           | 100.0%       |
| 4896021 · Legal Recovery Cost             | 0.00            | 350.00          | -350.00         | -100.0%      |
| <b>Total Income</b>                       | <b>2,878.88</b> | <b>1,535.00</b> | <b>1,343.88</b> | <b>87.6%</b> |
| <b>Gross Profit</b>                       | <b>2,878.88</b> | <b>1,535.00</b> | <b>1,343.88</b> | <b>87.6%</b> |
| <b>Expense</b>                            |                 |                 |                 |              |
| 5101010 · F-T Emp Sal & Wages             | 5,252.87        | 7,612.52        | -2,359.65       | -31.0%       |
| 5101020 · P-T/Temp Emp Sal & Wages        | 4,159.78        | 5,064.46        | -904.68         | -17.9%       |
| 5101030 · Board & Comm Mbrs Fees          | 180.00          | 600.00          | -420.00         | -70.0%       |
| 5102010 · OASI-Employer's Share           | 624.71          | 908.01          | -283.30         | -31.2%       |
| 5102020 · Retirement-ER Share             | 564.70          | 683.53          | -118.83         | -17.4%       |
| 5102060 · Health /Life Ins.-ER Share      | 2,734.54        | 2,548.39        | 186.15          | 7.3%         |
| 5102080 · Worker's Compensation           | 16.98           | 16.48           | 0.50            | 3.0%         |
| 5102090 · Unemployment Insurance          | 9.49            | 5.52            | 3.97            | 71.9%        |
| 5204050 · Consultant Fees - Computer      | 0.00            | 1,875.00        | -1,875.00       | -100.0%      |
| 5204180 · Computer Services-State         | 0.00            | 469.80          | -469.80         | -100.0%      |
| 5204200 · Central Services                | 383.19          | 165.83          | 217.36          | 131.1%       |
| 5204220 · Equipment Service & Maintenance | 2.45            | 4.18            | -1.73           | -41.4%       |
| 5204230 · Janitorial/Maintenance Services | 142.46          | 139.67          | 2.79            | 2.0%         |
| 5204460 · Equipment Rental                | 79.00           | 79.00           | 0.00            | 0.0%         |
| 5204490 · Rents Privately Owned Property  | 1,380.75        | 1,380.75        | 0.00            | 0.0%         |
| 5204530 · Telecommunications Services     | 106.00          | 222.17          | -116.17         | -52.3%       |
| 5204540 · Electricity                     | 66.87           | 89.86           | -22.99          | -25.6%       |
| 5204560 · Water                           | 22.35           | 44.70           | -22.35          | -50.0%       |
| 5204740 · Bank Fees and Charges           | 27.75           | 95.51           | -67.76          | -71.0%       |
| 5204960 · Other Contractual Services      | 0.00            | 302.75          | -302.75         | -100.0%      |
| 5205020 · Office Supplies                 | 4.12            | 0.00            | 4.12            | 100.0%       |
| 5205028 · OFFICE SUPPLIES-2               | 0.00            | 0.16            | -0.16           | -100.0%      |
| 5205320 · Printing/Duplicating/Binding Co | 13.80           | 24.15           | -10.35          | -42.9%       |
| 5205350 · Postage                         | 1,000.00        | 0.00            | 1,000.00        | 100.0%       |

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
**January 2021**

---

|   | <u>Jan 21</u>            | <u>Jan 20</u>            | <u>\$ Change</u>       | <u>% Change</u>     |
|---|--------------------------|--------------------------|------------------------|---------------------|
| 5228000 · Operating Transfers Out-NonBudg | 649.69                   | 278.18                   | 371.51                 | 133.6%              |
| 5228030 · Depreciation Expense            | 473.26                   | 473.26                   | 0.00                   | 0.0%                |
| <b>Total Expense</b>                      | <u>17,894.76</u>         | <u>23,083.88</u>         | <u>-5,189.12</u>       | <u>-22.5%</u>       |
| <b>Net Ordinary Income</b>                | <u>-15,015.88</u>        | <u>-21,548.88</u>        | <u>6,533.00</u>        | <u>30.3%</u>        |
| <b>Net Income</b>                         | <u><u>-15,015.88</u></u> | <u><u>-21,548.88</u></u> | <u><u>6,533.00</u></u> | <u><u>30.3%</u></u> |

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
 July 2020 through January 2021

|   | Jul '20 - Jan 21  | Jul '19 - Jan 20  | \$ Change        | % Change    |
|---|-------------------|-------------------|------------------|-------------|
| <b>Ordinary Income/Expense</b>            |                   |                   |                  |             |
| <b>Income</b>                             |                   |                   |                  |             |
| 4293550 · Initial Individual Certificate  | 1,825.00          | 4,485.00          | -2,660.00        | -59.3%      |
| 4293551 · Certificate Renewals-Active     | 66,750.00         | 62,940.00         | 3,810.00         | 6.1%        |
| 4293552 · Certificate Renewals-Inactive   | 22,150.00         | 19,710.00         | 2,440.00         | 12.4%       |
| 4293553 · Certificate Renewals-Retired    | 1,480.00          | 1,240.00          | 240.00           | 19.4%       |
| 4293554 · Initial Firm Permits            | 250.00            | 350.00            | -100.00          | -28.6%      |
| 4293555 · Firm Permit Renewals            | 15,550.00         | 11,050.00         | 4,500.00         | 40.7%       |
| 4293557 · Initial Audit                   | 180.00            | 120.00            | 60.00            | 50.0%       |
| 4293558 · Re-Exam Audit                   | 973.88            | 1,290.00          | -316.12          | -24.5%      |
| 4293560 · Late Fees-Initial Certificate   | 50.00             | 50.00             | 0.00             | 0.0%        |
| 4293561 · Late Fees-Certificate Renewals  | 3,500.00          | 2,750.00          | 750.00           | 27.3%       |
| 4293563 · Late Fees-Firm Permit Renewals  | 750.00            | 300.00            | 450.00           | 150.0%      |
| 4293564 · Late Fees-Peer Review           | 1,450.00          | 450.00            | 1,000.00         | 222.2%      |
| 4293566 · Firm Permit Owners              | 124,730.00        | 113,200.00        | 11,530.00        | 10.2%       |
| 4293567 · Peer Review Admin Fee           | 1,650.00          | 75.00             | 1,575.00         | 2,100.0%    |
| 4293568 · Firm Permit Name Change         | 0.00              | 125.00            | -125.00          | -100.0%     |
| 4293569 · Initial FAR                     | 510.00            | 330.00            | 180.00           | 54.6%       |
| 4293570 · Initial REG                     | 120.00            | 240.00            | -120.00          | -50.0%      |
| 4293571 · Inital BEC                      | 150.00            | 180.00            | -30.00           | -16.7%      |
| 4293572 · Re-Exam FAR                     | 690.00            | 930.00            | -240.00          | -25.8%      |
| 4293573 · Re-Exam REG                     | 540.00            | 1,230.00          | -690.00          | -56.1%      |
| 4293574 · Re-Exam BEC                     | 540.00            | 1,050.00          | -510.00          | -48.6%      |
| 4491000 · Interest and Dividend Revenue   | 11,016.74         | 9,932.08          | 1,084.66         | 10.9%       |
| 4896021 · Legal Recovery Cost             | 0.00              | 350.00            | -350.00          | -100.0%     |
| <b>Total Income</b>                       | <b>254,855.62</b> | <b>232,377.08</b> | <b>22,478.54</b> | <b>9.7%</b> |
| <b>Gross Profit</b>                       | <b>254,855.62</b> | <b>232,377.08</b> | <b>22,478.54</b> | <b>9.7%</b> |
| <b>Expense</b>                            |                   |                   |                  |             |
| 5101010 · F-T Emp Sal & Wages             | 37,648.06         | 40,252.85         | -2,604.79        | -6.5%       |
| 5101020 · P-T/Temp Emp Sal & Wages        | 25,147.70         | 22,629.85         | 2,517.85         | 11.1%       |
| 5101030 · Board & Comm Mbrs Fees          | 2,880.00          | 3,720.00          | -840.00          | -22.6%      |
| 5102010 · OASI-Employer's Share           | 4,466.90          | 4,550.09          | -83.19           | -1.8%       |
| 5102020 · Retirement-ER Share             | 3,523.25          | 3,581.29          | -58.04           | -1.6%       |
| 5102060 · Health /Life Ins.-ER Share      | 13,821.93         | 13,000.08         | 821.85           | 6.3%        |
| 5102080 · Worker's Compensation           | 113.03            | 81.75             | 31.28            | 38.3%       |
| 5102090 · Unemployment Insurance          | 62.99             | 27.65             | 35.34            | 127.8%      |
| 5203010 · Auto--State Owned               | 0.00              | 47.79             | -47.79           | -100.0%     |
| 5203020 · Auto-Private-Ownees Low Mileage | 0.00              | 104.42            | -104.42          | -100.0%     |
| 5203030 · In State-Auto- Priv. High Miles | 0.00              | 749.28            | -749.28          | -100.0%     |
| 5203100 · In State-Lodging                | 0.00              | 338.00            | -338.00          | -100.0%     |
| 5203150 · InState-Non-Tax Meals OverNight | 0.00              | 138.00            | -138.00          | -100.0%     |
| 5203260 · OS-Air Commercial Carrier       | 0.00              | 3,017.53          | -3,017.53        | -100.0%     |
| 5203280 · OS-Other Public Carrier         | 0.00              | 147.56            | -147.56          | -100.0%     |
| 5203300 · OS-Lodging                      | 0.00              | 4,109.43          | -4,109.43        | -100.0%     |
| 5203320 · OS-Incidentals to Travel        | 0.00              | 274.00            | -274.00          | -100.0%     |
| 5203350 · OS-Non-Taxable Meals Overnight  | 0.00              | 416.00            | -416.00          | -100.0%     |
| 5204010 · Subscriptions                   | 392.98            | 363.83            | 29.15            | 8.0%        |
| 5204020 · Dues and Membership Fees        | 3,200.00          | 3,200.00          | 0.00             | 0.0%        |
| 5204040 · Consultant Fees-Accounting      | 0.00              | 5,200.00          | -5,200.00        | -100.0%     |

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
**July 2020 through January 2021**

|   | Jul '20 - Jan 21  | Jul '19 - Jan 20  | \$ Change         | % Change      |
|---|-------------------|-------------------|-------------------|---------------|
| 5204050 · Consultant Fees - Computer      | 3,836.26          | 5,625.00          | -1,788.74         | -31.8%        |
| 5204160 · Workshop Registration Fees      | 0.00              | 3,006.44          | -3,006.44         | -100.0%       |
| 5204180 · Computer Services-State         | 3,215.58          | 3,278.55          | -62.97            | -1.9%         |
| 5204181 · Computer Development Serv-State | 120.40            | 274.51            | -154.11           | -56.1%        |
| 5204200 · Central Services                | 3,722.52          | 4,269.44          | -546.92           | -12.8%        |
| 5204220 · Equipment Service & Maintenance | 34.67             | 42.45             | -7.78             | -18.3%        |
| 5204230 · Janitorial/Maintenance Services | 997.22            | 977.67            | 19.55             | 2.0%          |
| 5204460 · Equipment Rental                | 1,919.08          | 1,759.00          | 160.08            | 9.1%          |
| 5204490 · Rents Privately Owned Property  | 9,665.25          | 11,046.00         | -1,380.75         | -12.5%        |
| 5204530 · Telecommunications Services     | 1,977.21          | 1,366.16          | 611.05            | 44.7%         |
| 5204540 · Electricity                     | 441.09            | 578.80            | -137.71           | -23.8%        |
| 5204560 · Water                           | 83.59             | 89.40             | -5.81             | -6.5%         |
| 5204740 · Bank Fees and Charges           | 4,721.82          | 4,728.18          | -6.36             | -0.1%         |
| 5204960 · Other Contractual Services      | 0.00              | 883.43            | -883.43           | -100.0%       |
| 5205020 · Office Supplies                 | 104.29            | 458.76            | -354.47           | -77.3%        |
| 5205028 · OFFICE SUPPLIES-2               | 12.53             | 6.58              | 5.95              | 90.4%         |
| 5205320 · Printing/Duplicating/Binding Co | 131.10            | 106.95            | 24.15             | 22.6%         |
| 5205350 · Postage                         | 2,000.00          | 0.00              | 2,000.00          | 100.0%        |
| 5207900 · Computer Hardware               | 640.78            | 653.40            | -12.62            | -1.9%         |
| 5228000 · Operating Transfers Out-NonBudg | 4,083.48          | 3,485.04          | 598.44            | 17.2%         |
| 5228030 · Depreciation Expense            | 3,312.82          | 3,312.82          | 0.00              | 0.0%          |
| <b>Total Expense</b>                      | <b>132,276.53</b> | <b>151,897.98</b> | <b>-19,621.45</b> | <b>-12.9%</b> |
| <b>Net Ordinary Income</b>                | <b>122,579.09</b> | <b>80,479.10</b>  | <b>42,099.99</b>  | <b>52.3%</b>  |
| <b>Net Income</b>                         | <b>122,579.09</b> | <b>80,479.10</b>  | <b>42,099.99</b>  | <b>52.3%</b>  |

## REPORT TO BOARD ON GRADES

Nicole Kasin

The grades were posted for review for the 67<sup>th</sup> window. These grades are through December 2020. 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 1-67

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

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

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

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

| Count of Score | Section |      |      |      | Grand Total |
|----------------|---------|------|------|------|-------------|
| School         | AUD     | BEC  | FAR  | REG  | Grand Total |
| Augie          | 120     | 118  | 117  | 130  | 485         |
| BHSU           | 143     | 136  | 132  | 126  | 537         |
| COTech         | 23      | 21   | 14   | 14   | 72          |
| DSU            | 33      | 27   | 29   | 25   | 114         |
| DWU            | 34      | 23   | 27   | 25   | 109         |
| Mt. Marty      | 26      | 29   | 17   | 20   | 92          |
| NAU            | 16      | 22   | 27   | 25   | 90          |
| NSU            | 110     | 135  | 92   | 116  | 453         |
| OS             | 341     | 339  | 344  | 332  | 1356        |
| SDSU           | 46      | 45   | 35   | 42   | 168         |
| USD            | 360     | 358  | 355  | 353  | 1426        |
| USF            | 108     | 100  | 107  | 83   | 398         |
| Grand Total    | 1360    | 1353 | 1296 | 1291 | 5300        |

Average for past 8 windows (3 or more parts)

| Average of Score | Section |     |     |     | Grand Total |
|------------------|---------|-----|-----|-----|-------------|
| School           | AUD     | BEC | FAR | REG | Grand Total |
| Augie            | 80      | 87  | 77  | 81  | 81          |
| BHSU             | 75      | 76  | 68  | 65  | 69          |
| DSU              | 66      | 77  | 74  | 71  | 71          |
| DWU              | 63      |     | 73  | 71  | 69          |
| NSU              | 80      | 71  | 59  | 73  | 71          |
| OS               | 74      | 75  | 73  | 72  | 74          |
| SDSU             |         | 84  |     | 76  | 80          |
| USD              | 73      | 75  | 70  | 76  | 74          |
| USF              | 69      | 81  | 70  | 77  | 74          |
| Grand Total      | 73      | 76  | 71  | 73  | 73          |

The Board needs to ratify the scores of the 2020-4 (67<sup>th</sup> Window) grades.

## EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

### **CPE Audits**

The list of licensees has been selected for CPE audits and letters were sent out to those selected on September 22, 2020. The documentation is due in our office no later than October 30, 2020. The following is the current status of the audits as of March 17, 2021:

|                                     | <b>Selected</b> | <b>Complied</b> | <b>Not Complied</b> | <b>Granted Extension</b> | <b>Approved CPE Audit</b> | <b>Failed CPE Audit</b> |
|-------------------------------------|-----------------|-----------------|---------------------|--------------------------|---------------------------|-------------------------|
| <b>CPA (Active)</b>                 | 119             | 119             | 0                   | 1                        | 116                       | 2                       |
| <b>CPA – Out of State Affidavit</b> | 138             |                 |                     |                          | 138                       |                         |

### **NASBA Issues**

1. Committee Interest for 2021-2022 – Email sent from NASBA 3-3-21
2. CPA Exam - Discussion on remote testing/proctoring
3. NASBA Regional meeting June 22-23 – Virtual
4. CPA Evolution
  - a. Model Rules approved by NASBA/AICPA. The following are conflicts with our rules:
    - i. Principles 1 & 2 undergrad or introductory accounting at grad level – not counting towards 24 hours in accounting
    - ii. Data analytics - courses count toward business or accounting, even if the course prefix is from a different college or university program (engineering, computer science or math)
    - iii. A maximum of 9 credit hours for internship/independent study
  - b. Implementation proposed for January 2024

### **Board Discussion**

- Any New Business/topics?

**STATE OF SOUTH DAKOTA  
DEPARTMENT OF LABOR AND REGULATION  
BOARD OF ACCOUNTANCY**

---

**IN THE MATTER OF**

**AMENDED**

**NOTICE OF HEARING**

**BRUCE A. ASHLAND,  
Certificate No. 2285**

**Case 102-21  
DLR 21-37**

**Respondent**

---

TO: Roger Tellinghuisen  
DeMersseman Jensen Tellinghuisen &  
Huffman, LLP  
516 5<sup>th</sup> St.  
Rapid City, SD 57701  
*roger@demjen.com*  
*Attorney for Respondent*

PLEASE TAKE NOTICE that an administrative hearing in the above-entitled matter will be held before the South Dakota Board of Accountancy on March 24, 2021 at 9:30 a.m. Central Time, 8:30 a.m. Mountain Time, via Zoom <https://state-sd.zoom.us/j/7292571422?pwd=N2VaME9RSEZ1bHN6ZmxXZmpybGZhQT09> or by dialing +1 346 248 7799, Meeting ID: 729 257 1422, Passcode: 957016. All parties and witnesses must be personally present for the above-mentioned hearing unless otherwise authorized by the Board.

This hearing is being held pursuant to the legal authority and jurisdiction granted to the State Board of Accountancy (Board), under SDCL Chapter 36-20B and SDCL Chapter 1-26.

The purpose of this hearing will be to determine whether Bruce A. Ashland, Certificate No. 2285, violated state laws or administrative rules.

Following the hearing, the Board shall cause to be issued findings of fact, conclusions of law, and a decision that may take such actions as are authorized by SDCL Chapter 36-20B, including, but not limited to, censure, reprimand, administrative fine, probation, continuing education, denial, suspension or revocation of Certificate No. 2285. If the Office of Hearing Examiners proposes a findings of fact and conclusions of law, and decision, the Board will then decide to adopt, amend, or reject the proposal of the Office of Hearing Examiners. Under the provisions of



SDCL 1-26-29.1, should this proceeding result in discipline, the Board may assess all or part of its actual expenses for this proceeding against respondent, Bruce A. Ashland.

This hearing is a contested case as that term is defined in SDCL 1-26-1(2). As such, this hearing is an adversarial proceeding. You have the right to be present at the hearing and to be represented by an attorney. These and other due process rights will be forfeited if they are not exercised at the hearing. If you intend to be represented by different firm, please inform the Office of Hearing Examiners and the undersigned of your attorney's name, address, and telephone number.

If the Respondent does not appear at the scheduled time of the hearing, the matter may be dismissed, or it may be decided on the basis of evidence presented at the hearing.

If the amount in controversy exceeds \$2,500.00 or if a property right may be terminated, a party to the contested case may require the agency to use the Office of Hearing Examiners by giving notice of the request to the agency no later than ten days after service of this notice of hearing. The Office of Hearing Examiners has been contacted and Judge Catherine Williamson will be presiding.

Notice of the Board's decision will be sent to you within 30 days after this matter is fully submitted to it, unless such time is extended by the Board or Office of Hearing Examiners pursuant to SDCL 1-26-30.1. The decision based on the hearing may be appealed to the Circuit Court and the State Supreme Court, as provided by law.

If you or anyone participating in the hearing on your behalf requires accommodations due to a disability, contact Nicole Kasin at (605) 367-5770 and suitable arrangements will be made.

**Statutes and Rules involved in this hearing:**

**SDCL 36-20B-27. Renewal of certificate--Continuing education requirement--Exception.**

**SDCL 36-20B-40. Disciplinary action--Remedies available to board--Grounds.**

**ARSD 20:75:03:03. Application for renewal of certificates -- Fees.**

**ARSD 20:75:04:07. Initial active certificate holders.**

**ARSD 20:75:04:10. Extension for completion of continuing professional education.**

**ARSD 20:75:04:11. Review of continuing professional education credits.**

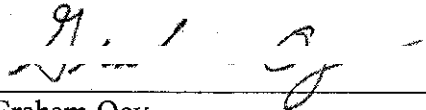
**ARSD 20:75:04:15. Documentation for continuing professional education credit.**

**Facts that support the alleged violations of South Dakota law:**

1. On September 22, 2020, Ashland was sent a letter in regards to being selected for a CPE audit for the three-year renewal period from July 1, 2017 through June 30, 2020. Ashland was informed that the deadline for submission of the documentation to verify claimed CPE was October 30, 2020.
2. Ashland submitted CPE documentation to the board on October 1, 2020.
3. On December 1, 2020, Executive Director Kasin emailed Ashland informing him that courses claimed in the three-year audit period were not reported in the correct annual CPE reporting period. The dates on the certificates of completion are the dates that must be used to report hours in the correct CPE reporting period.
4. Kasin requested Ashland provide the certificate of completion for the date he listed or the various CPE courses he listed would be moved to the correct reporting year. Kasin also requested any additional documentation to claim CPE hours for the audit period. The additional documentation was to be submitted by December 10, 2020.
5. On December 11, 2020, Executive Director Kasin called Ashland to confirm he had no additional documentation for courses he claimed in the incorrect CPE reporting periods or any other courses to report that he did not initially claim. Ashland had no additional documentation.
6. After reviewing the CPE documents, it was determined by board staff that Ashland submitted false dates when inputting his CPE on the renewal applications.
7. The false information is detailed as follows:
  - a. For CPE reporting period of July 1, 2017 to June 30, 2018, Ashland reported the CPE course 2018 Form 8582 PAL by Jackson Hewitt for 2 CPE hours. The certificate of completion date is July 31, 2018. This course was used to obtain his required 120 CPE hours in the three-year renewal period ending June 30, 2018.
    - i. Ashland failed to complete 120 CPE hours for the rolling three-year renewal period ending June 30, 2018, he is short 2 CPE hours.
  - b. For CPE reporting period of July 1, 2018 to June 30, 2019, Ashland reported the CPE course 2018 1040 Tax in Depth by Tax Speaker for 29 CPE hours. The certificate of completion date is July 8, 2019; CPE course 39 Tax Tips for Older and Wealthy Clients by Checkpoint Learning for 7 CPE hours. The certificate of completion date is August 5, 2019; CPE course Estate Planning for Small and Midsize Estates by Checkpoint Learning for 4 CPE hours. The certificate of completion date is August 5, 2019. These courses were used to obtain his required 120 CPE hours in the three-year renewal period ending June 30, 2019.
    - i. Ashland failed to meet the minimum of 20 CPE hours for the period ending June 30, 2019, he is short 14 CPE hours.
    - ii. Ashland failed to complete 120 CPE hours the rolling three-year renewal period ending June 30, 2019, he is short 32 CPE hours.
  - c. For CPE reporting period of July 1, 2019 to June 30, 2020, Ashland reported the CPE course Fraud Prevention CLFRA2 by Checkpoint Learning for 4 CPE hours. The certificate of completion date is June 30, 2019. This course was used to obtain his required 120 CPE hours in the three-year renewal period ending June 30, 2020.

- i. Ashland failed the CPE audit for the three-year period ending June 30, 2020, by not submitting verifying documentation for claimed courses correct annual reporting period.
8. At no point during any of the renewal periods did Ashland request an extension.

Date this 3rd day of March 2021.

  
\_\_\_\_\_  
Graham Oey  
Special Assistant Attorney General  
Department of Labor and Regulation  
811 E. 10th St. Dept. 41  
Sioux Falls, SD 57103  
605-367-4990

**National Association of State Boards of Accountancy, Inc.**  
**Virtual Meeting of the Board of Directors**  
**October 30, 2020 – 10:30 a.m. Central Time**

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 Laurie J. Tish at 10:40 a.m. CDT on Friday, October 30, 2020 via Zoom. Ms. Tish welcomed all and introduced Kent Absec, who will be the executive directors' liaison to the NASBA Board this coming year. She also welcomed back Jim Burkes and Nicola Neilon, Directors-at-Large nominees. Lynne Hutchinson, Southwest Regional Director nominee, had been invited but could not attend due to a conflicting State Board meeting, Ms. Tish noted.

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

2. Report of Attendance

President and CEO Bishop reported the following were on the Zoom call:

Officers

Laurie J. Tish, CPA (WA), Chair  
A. Carlos Barrera, CPA (TX), Vice Chair  
Janice L. Gray, CPA (OK), Past Chair  
W. Michael Fritz, CPA (OH), Treasurer  
Stephanie M. Saunders, CPA (VA), Secretary

Directors-at-Large

Catherine R. Allen, CPA (NY)  
J. Coalter Baker, CPA (TX)  
Maria E. Caldwell, CPA (FL)  
John F. Dailey, Jr., CPA (NJ)  
Tyrone E. Dickerson, CPA (VA)  
Sharon A. Jensen, CPA (MN)  
Richard N. Reisig, CPA (MT)

Regional Directors

Jack Anderson Bonner, Jr., CPA (TN), Southeast Regional Director  
C. Jack Emmons, CPA (NM), Southwest Regional Director  
Alison L. Houck, CPA (DE), Middle Atlantic Regional Director  
Stephen F. Langowski, CPA (NY), Northeast Regional Director  
Faye D. Miller, CPA (ND), Central Regional Director  
Jason D. Peery, CPA (ID), Mountain Regional Director

Katrina Salazar, CPA (CA), Pacific Regional Director  
Kenya Y. Watts, CPA (OH), Great Lakes Regional Director

Executive Directors' Liaison

Grace Berger (MT), Executive Directors Committee Liaison

Staff

Ken L. Bishop, President and Chief Executive Officer  
Colleen K. Conrad, CPA, Executive Vice President and Chief Operating Officer  
Michael R. Bryant, CPA, Senior Vice President and Chief Financial Officer  
Daniel J. Dustin, CPA, Vice President – State Board Relations  
Louise Dratler Haberman, Vice President - Information and Research  
Thomas Kenny, Chief Communications Officer  
Troy Walker, CPA, Director of Finance and Controller

Guests

Kent Absec (ID), 2020-21 Executive Director's Liaison  
Nicola Neilon (NV), Director-at-Large Nominee  
Jimmy Burkes (MS), Director-at-Large Nominee

3. Approval of Minutes

Secretary Stephanie Saunders presented the minutes of the July 24, 2020 meeting as corrected. Mr. Emmons moved to accept the minutes and all approved. Ms. Saunders next presented the minutes of the Board's special meeting on October 13, 2020. Mr. Emmons seconded and all approved.

4. Chair's Report

Chair Tish reported the Executive Committee met on October 29 via Zoom. She had participated in many productive zoom meetings of NASBA committees, as well as the Regional Conference calls held in September, which she felt were "very meaningful," with actively engaged participants.

The Executive Committee had met with the Regional Directors and answered questions on the use of remote testing and identified what issues require additional discussion.

Whether future NASBA meetings will be virtual, the existing financial constraints, and the impact on meeting attendance, were all addressed by the Executive Committee. Ms. Tish reported she had no formal external appointments to announce, but individuals had been recommended for various positions. The results of those recommendations will probably be announced at the Board's January or April 2021 meeting.

5. Vice Chair's Report

Vice Chair Carlos Barrera reported that he had participated in all of the Regional conference calls in September and agreed with Chair Tish on the active involvement of those on the Zoom calls.

The 2020-2021 Committee rosters have been distributed and Vice Chair Barrera thanked all the Board members for agreeing to accept his committee chair assignments. He thanked Executive Vice President Colleen Conrad and her executive assistant Noel Winter Dedmon for their invaluable assistance to the committee assignment process.

Members for the Strategic Planning Task Force have been selected and Mr. Barrera hopes to have a report from that committee presented at the Board's April 2021 meeting.

## 6. President's Report

President and CEO Bishop and Executive Vice President and COO Colleen Conrad reported on the following to the Board:

In response to the continuing pandemic, NASBA staff members are being encouraged to stay at home and work remotely. The financials are being carefully monitored, and NASBA was able to break even last year without pulling back on services to the member Boards, President Bishop reported. Steps are being taken to protect the NASBA staff physically and mentally, through the efforts of the Human Resources Department. The ban on staff travel and in-person committee meetings now is in place until the end of the year but is likely to be extended until the end of March 2021.

As leadership of accounting bodies has changed, NASBA's relationships with those bodies have changed. In September, the American Accounting Association issued a resolution in support of the Financial Accounting Standards Board's standard-setting, after the CARES act allowed for circumvention of its standards in certain circumstances. Ms. Conrad said a similar letter from NASBA in support of the FASB was under consideration. Regional Director Andy Bonner commented that the banking community had urged the federal government to take the steps they did.

The Center for Audit Quality has created a candidate pipeline task force which includes NASBA representatives Vice President of State Board Relations Daniel Dustin and Chief Ethics and Diversity Officer Alfonso Alexander. Diversity is being addressed by the task force and they are giving particular attention to internships.

Mr. Dustin and Ms. Conrad have made approximately 44 CPA Evolution presentations since June to State Boards, CPA societies, educators brought together by State Boards, review providers, AAA, FAF and the IESBA. Ms. Conrad displayed lists of 25 NASBA representatives participating on six CPA Evolution curriculum, internship and transition task forces. Additional State Board members will be asked to participate in the CPA Examination practice analysis process, also in conjunction with CPA Evolution.

The US Department of Commerce reached out to NASBA to be part of a project under APEC (Asia-Pacific Economic Cooperation) considering how governmental bodies can work together, similar to what NASBA has done with ALD uniformity and substantial equivalency, Ms. Conrad reported.

President Bishop will try to meet electronically with leaders of the profession in the United Kingdom to find a way to complete a mutual recognition agreement with the Institute of Chartered Accountants in England and Wales that the NASBA/AICPA International Qualifications Appraisal Board has developed.

Prometric has over 98 percent of their testing centers in operation now, with capacity available in most centers. The CBT Administrations Committee, in consultation with the Executive Directors Committee, is encouraging State Boards to extend candidate deadlines only on a case-by-case basis and to coordinate their extensions with NASBA via Patricia Hartman, rather than acting unilaterally. Thanks to continuous testing, it is now possible for candidates to take a section of the CPA Examination in excess of three times in one window, when previously they could only take a section once in a testing window. NASBA and AICPA are close to signing an extension on examination contracts.

Representatives from over 45 State Boards participated in NASBA's remote testing webinars. PowerPoint presentations from those sessions are being shared with the Boards. NASBA is still in the due diligence stage about offering remote testing/proctoring.

Candidates from Asian countries are being allowed to test in South Korea and Japan because COVID restrictions are keeping them from traveling to the Guam Testing Center. Testing centers are being opened in Jordan and Egypt. As of January 1, there will be continuous testing in test centers in India. Testing will also be taking place in Nepal. Because of COVID travel restrictions, Canadian candidates are being allowed to test in Canada on a temporary basis, as President Bishop wrote to CPA Canada's provincial institutes.

NASBA has installed a new cloud-based phone system that will transfer calls to employees' computers and personal devices, as applicable.

The CPE Registry Summit was held virtually on September 22. The Registry had its best quarter as in-person sponsors were adding the on-line delivery category for their programs.

NASBA staff members are available to join in virtual State Board meetings upon request. States have called in Chief Sourcing and Strategy Officer Cheryl Farrar, Executive Vice President Colleen Conrad and Vice President – State Board Relations Dan Dustin to provide additional information to their meetings.

Director of Legislative and Governmental Affairs John Johnson has been working with State Boards where budget cuts are prompting states to consider combining multiple boards under umbrella organizations. Federal legislation to protect Board members from personal liability has been introduced by Representative Michael Conaway (TX-R), a NASBA past chair, and has received bipartisan support. It is anticipated the legislation will be carried over into the next session of Congress.

Even with being restricted to virtual meetings, the Center for the Public Trust (CPT) has maintained student enthusiasm in its chapters. There are now 4,457 student CPT members.

President Bishop said it was doubtful that the January 2021 meeting of the NASBA Board of Directors would be in-person; however, the Executive Directors and Board Staff Conference and the State Board Legal Counsel Conference are scheduled to take place April 12-14 in Clearwater Beach, FL, as is the April 22-23 NASBA Board of Directors meeting in Hilton Head, SC. A final decision will be made on those meetings and conferences after the first of the year.

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

Treasurer Michael Fritz reported NASBA ended Fiscal 2020 with the same level of net assets as at the end of the prior year. Treasurer Fritz commented that, considering the events of the last half of the fiscal year, this was a very favorable outcome. He stated that the net asset change would have been positive except for the impact of the adoption of the revenue recognition standard. He also reported the Investment Committee had met on October 22 and received performance reports from the Morgan Stanley advisers indicating returns were in excess of policy benchmarks.

Senior Vice President and Chief Financial Officer Michael Bryant presented some additional financial information related to Fiscal 2020 and reported that operating and investment results for the first two months of Fiscal 2021 were ahead of budget.

#### 8. Report of the Audit Committee

Audit Committee Chair Faye Miller referred the Board to the "Report of the Audit Committee" on page 54 of NASBA's *2020 Annual Report*. The Committee held a virtual meeting on September 24 and approved the fiscal year financial statements and auditors' report thereon. Ms. Miller made a motion to ratify the Executive Committee's acceptance of the audit report. Mr. Emmons seconded and the motion passed.

Ms. Miller made a motion to ratify the Executive Committee's reappointment of LBMC, PC, as the NASBA auditors for the fiscal year ending July 31, 2021. Mr. Emmons seconded. Mr. Bryant was asked how long the engaged firm had been NASBA's auditors and if this assignment had gone out for bids. He responded that LBMC had been NASBA's auditors since 1997 and there has been no dissatisfaction with the firm. Ms. Miller noted that the Audit Committee had an in-depth discussion of the fees charged and the firm's performance before reappointing them. She reported that a new audit partner had been assigned to the job this year based on the audit rotation requirements of the Audit Committee Charter. The motion passed.

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



Executive Directors Committee Chair Grace Berger reported the State Boards continue to deal with an unusual work environment that calls for Board budget cuts, staff reductions and staff working remotely. They have had issues with enforcement hearings and CPE audits. The Boards have taken up NTS extensions and are handling requests from international candidates on a case-by-case basis. Many requests for extensions are coming from Canadian applicants.

The possibility of remote proctoring for the Uniform CPA Examination was initially opposed by some executive directors because of security concerns, but webinars on the concept are having an impact. The Executive Directors Committee has been meeting with the Compliance Assurance Committee and the CBT Administration Committee.

Director-at- Large Rick Reisig announced that Ms. Berger is retiring at the end of 2020 as the Montana Board of Public Accountants' executive director. He said she had developed into a great proponent for the profession and he thanked her for all she did for Montana and NASBA.

#### 10. Report from Committee on Relations with Member Boards

Relations with Member Boards Committee Chair Jack Emmons reported NASBA's first virtual new State Board member orientation was held on August 20, 2020 and went well. The traditional skit highlighting a Board's procedural errors was eliminated and was replaced by a question-and-answer session with NASBA Regulatory Counsel Brie Allen and the Regional Directors.

The Relations with Member Boards Committee met with the Executive Committee and discussed matters raised during their Regional conference calls held in September. Mr. Emmons thanked the Regional Directors for all the work they had done this year and Pacific Regional Director Katrina Salazar thanked Mr. Emmons for his leadership.

#### 11. Report from Ethics Committee

Ethics Committee Chair Catherine Allen presented a draft NASBA letter in response to the AICPA Professional Ethics Executive Committee's (PEEC) "Proposed Interpretation – Staff Augmentation Arrangements," released on September 8, 2020. She explained this letter was being brought back to the NASBA Board since at their January 2020 meeting they had passed a resolution in opposition to an earlier version of this proposed interpretation. Director-at-Large Coalter Baker, who serves as a NASBA representative on PEEC, had explained to PEEC why NASBA opposed their earlier stated proposal on staff augmentation. Ms. Allen reported PEEC had modified the interpretation to address the points NASBA had raised. The current draft response distributed to the NASBA Board acknowledges those changes, but states there is still room for improvement.

Regulatory Response Committee Chair Michael Fritz said the draft response had been developed by both his committee and the Ethics Committee. For vetting purposes, it was now being brought to the NASBA Board, in light of the January resolution. The Board members

discussed the letter and determined they supported it. The letter is to be submitted to PEEC and distributed to the member Boards, with a recommendation that they also submit a response to PEEC on this topic. President Bishop said NASBA would provide the Boards with subject matter experts on this topic if they feel that is necessary before they submit a response.

## 12. Report from CBT Administration

CBT Administration Committee Chair Tyrone Dickerson reported that some of the Prometric testing centers closed in mid-March and did not reopen until May. The Committee had recommended to the State Boards that they extend testing deadlines until September, and later recommended they extend the deadlines until the end of December 2020. The Committee has recommended that international candidates be extended on a case-by-case basis.

The CBT Administration Committee recognizes that remote proctoring can carry additional risk and they will be involved in reviewing policies and procedures, and weigh in on this initiative, Mr. Dickerson stated. He underscored the need to protect the Uniform CPA Examination to make sure it is reliable. The Committee will next meet on November 5.

## 13. Policy Discussions

The Board members heard from President Bishop, Executive Vice President Conrad and Vice President- State Board Relations Dustin on issues being considered relating to: remote testing/proctoring; development of task forces in support of the CPA Evolution initiative; the Auditing Standards Board's forthcoming steps to address NOCLAR; and alternatives for including internships in curriculum.

*Remote testing* – The NASBA webcasts on this topic had huge attendance. Extended time to answer questions was included. Open issues: Should remote proctoring be used for the CPA Exam and, if so, how is it to be used? Should it be kept for emergency only situation, and then how is “emergency” to be determined? Potential risks and concerns, including mitigations, remain under review. A white paper is to be developed to share with the Boards on defining “emergency” and other topics, and additional webcasts are being planned to continue providing information as available to the Boards.

*CPA Evolution* – Task forces are underway to develop high-level core and discipline-level model curriculum that will be made available for university use, as desired. The initial work is to be shared by late spring or early summer 2021. The AICPA Board of Examiners has just approved launching a new practice analysis to consider changes to the Uniform CPA Examination under the Evolution Model. AICPA launched a web page about a month ago to serve as a resource center for educators. Model Rules changes are not required for the majority of states to meet the education requirements for the CPA Evolution, but would be helpful. NASBA staff members are working to encourage states to implement changes where needed.

*NOCLAR* – The Auditing Standards Board (ASB) was at the point of issuing an exposure draft but NASBA ASB members pointed out the proposed standard continued to require client permission for the predecessor auditor to share NOCLAR information with the successor auditor, and allowed the predecessor firm’s judgment not be shared when possible litigation or unusual circumstances were involved. The proposal significantly varied from what was originally suggested by a joint NASBA /AICPA Uniform Accountancy Act Committee/PEEC task force. A letter from Chair Tish and President Bishop was sent to the ASB to ask them to give more consideration to their proposed exposure draft. ASB agreed to defer the exposure draft’s release and Mr. Dustin will be joining the ASB task force on this issue.

*Internships* – A Center for Audit Quality task force is considering how to increase access and affordability to the profession. The issue of experiential learning through internship has been raised. This ties to the ability to pay for the additional 30 hours for the 150-hour requirement.

Board members exchanged views on these topics, and no formal actions resulted from these discussions.

#### 14. Report from Compliance Assurance Committee

Compliance Assurance Committee Chair Stephen Langowski reported the committee had unanimously voted to propose to Chair Tish that the name of the committee be changed to “Peer Review Compliance Committee.” He explained this conforms to the terminology that was included in the revisions to the Uniform Accountancy Act - Model Rules Article 7 that were made more than a year ago. NASBA Chair Tish said she had approved the name change.

#### 15. Closing Comments

Chair Tish acknowledged and thanked the following individuals for their service to NASBA for the past years: Past Chair Janice Gray; Director-at-Large Maria Caldwell; Southwest Regional Director C. Jack Emmons; and Executive Directors Liaison Grace Berger. Vice Chair Barrera and President Bishop thanked Ms. Tish for her work.

#### 16. Adjournment

The meeting was adjourned at 3:23 p.m. Central Time.

\*\*\*\*\*

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

**Virtual Meeting of the Board of Directors  
November 3, 2020 – 2:00 p.m. Central Time**

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 A. Carlos Barrera at 2:00 p.m. CDT on Tuesday, November 3, 2020 via Zoom. Mr. Barrera welcomed to the NASBA Board Southwest Regional Director Lynn V. Hutchinson and returning Directors-at-Large Jimmy E. Burkes and Nicola Neilon. He encouraged the NASBA Board members to have a positive attitude, as he predicted the nation will emerge from the COVID-19 epidemic this year.

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

2. Report of Attendance

President and CEO Bishop reported the following were on the Zoom call:

Officers

A. Carlos Barrera, CPA (TX), Chair  
W. Michael Fritz, CPA (OH), Vice Chair  
Laurie J. Tish, CPA (WA), Past Chair

Directors-at-Large

Catherine R. Allen, CPA (NY)  
J. Coalter Baker, CPA (TX)  
Jimmy E. Burkes, CPA (MS)  
John F. Dailey, Jr., CPA (NJ)  
Tyrone E. Dickerson, CPA (VA)  
Sharon A. Jensen, CPA (MN)  
Nicola Neilon, CPA (NV)  
Richard N. Reisig, CPA (MT)  
Stephanie M. Saunders, CPA (VA)

Regional Directors

Jack Anderson Bonner, Jr., CPA (TN), Southeast Regional Director  
Lynn V. Hutchinson, CPA (LA), Southwest Regional Director  
Alison L. Houck, CPA (DE), Middle Atlantic Regional Director  
Stephen F. Langowski, CPA (NY), Northeast Regional Director  
Faye D. Miller, CPA (ND), Central Regional Director  
Jason D. Peery, CPA (ID), Mountain Regional Director  
Katrina Salazar, CPA (CA), Pacific Regional Director  
Kenya Y. Watts, CPA (OH), Great Lakes Regional Director

### Staff

Ken L. Bishop, President and Chief Executive Officer  
Colleen K. Conrad, CPA, Executive Vice President and Chief Operating Officer  
Michael R. Bryant, CPA, Senior Vice President and Chief Financial Officer  
Louise Dratler Haberman, Vice President - Information and Research  
Thomas G. Kenny, Chief Communications Officer  
Brie Allen, Esq., Regulatory Counsel

### 3. Elections of Board Officers

As called for in Bylaws Section 4.3.4, Chair Barrera asked for nominations for NASBA Treasurer 2020-2021. Director-at-Large Nicola Neilon nominated Director-at-Large Richard Reisig. The nomination was seconded by Director-at-Large Sharon Jensen. As there were no additional nominations, Chair Barrera called for election of Mr. Reisig by acclamation. All approved.

As called for in Bylaws Section 4.3.3, Chair Barrera asked for nominations for NASBA Secretary 2020-2021. Director-at-Large Catherine Allen nominated Director-at-Large Stephanie Saunders. The nomination was seconded by Director-at-Large Jimmy Burkes. As there were no additional nominations, Chair Barrera called for election of Ms. Saunders by acclamation. All approved.

### 4. Adjournment

Chair Barrera thanked Past Chair Laurie Tish for all she had done during her year in office. Ms. Tish praised the entire Board for their teamwork. There being no additional business, the meeting was adjourned at 2:10 p.m.

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

### **Highlights of the Board of Directors Meeting**

#### **January 15, 2021 – Virtual Meeting**

At a duly called meeting of the Board of Directors of the National Association of State Boards of Accountancy, held on Friday, January 15, 2021 via Zoom, the Board took the following actions:

- Unanimously approved the November NASBA financial statements as recommended by the Administration and Finance Committee and presented by Treasurer Richard Reisig (MT).
- Unanimously approved the appointment of Andrea P. Perry, Esq., as a member of the NASBA Center for the Public Trust's Board of Directors and the re-appointment of Jim Burkes (MS) and J. Coalter Baker (TX) as members of the CPT Board representing NASBA.
- Heard from President and CEO Ken L. Bishop about the importance of pilot testing in the evaluation of potential remote testing for the Uniform CPA Examination. In order to get a psychometrically valid sample, motivated candidates are required pilot participants. Boards are being asked to verify they will accept the scores from the pilot tests.
- Were updated by Chair A. Carlos Barrera (TX) on the progress of the Strategic Planning Task Force. The Task Force is being asked to consider where the Boards and the profession will be in five years' time and if NASBA is taking the appropriate steps now. The Task Force is expected to have their report ready for the April 2021 Board of Directors Meeting.
- Heard from Chair Barrera that NASBA Treasurer Richard Reisig had been selected to serve as a member of the Board of Trustees of the Financial Accounting Foundation, the parent organization of the FASB and GASB. His term runs from January 1, 2021 until December 31, 2025. NASBA Past Chair Diane M. Rubin's term on the FAF ended in December.
- Were informed by Executive Vice President and COO Colleen K. Conrad that the CPA Evolution initiative is progressing on track towards its deadlines. The practice analysis for the new Uniform CPA Examination has started and a transition task force is working out how best to smooth the path for those in the pipeline when the Examination changes over.
- Learned from Relations with Member Boards Committee Chair Katrina Salazar (CA) that the Regional Directors had recommended merging both 2021 Regional Meetings, if this year they are to be conducted virtually. The Regional Directors recommended future in-person Regional Meetings return to the two-meeting pattern of Eastern and Western Regional Meeting.
- Received a report from Center for the Public Trust President and NASBA Chief Ethics and Diversity Officer Alfonzo Alexander on the progress of the CPT's projects. It currently has 49 student chapters, with a new chapter being established in Guam.
- Received a report from Ethics Committee Chair J. Coalter Baker(TX) on forthcoming exposure drafts from the Auditing Standards Board and the AICPA Professional Ethics Executive Committee on NOCLAR (noncompliance with laws and regulations). While NASBA

representatives have participated in the discussions of these proposals, it is anticipated NASBA will have some additional comments on each.

- Learned from Legislative Support Committee Chair Andy Bonner (TN) that the Alliance for Responsible Professional Licensing (ARPL) has sponsored a study which shows that licenses positively impact the wages of women and minorities. ARPL is going to be establishing chapters at the state level.
- Received a report issued by the US Agency for International Development, “New Generation Practices for Services Authorization in the Asia-Pacific Region,” praising overseas CPA testing. Executive Vice President Conrad participated in a panel discussion of this effort presented for members of the Asia-Pacific Economic Cooperation Group in December.
- Learned from Executive Directors Committee Chair Kent Absec (ID) that the State Boards Executive Directors are holding monthly one-hour virtual meetings to discuss topics of current concern. The first call in December brought together Executive Directors from 34 jurisdictions.
- Were told by Vice Chair W. Michael Fritz (OH) that he will hold his first pre-planning meeting for the 2021-2022 NASBA committees in February.
- Heard from NASBA President Bishop that NASBA Vice President – Information & Research Louise Dratler Haberman will be retiring on February 12, 2021, after having edited the *State Board Report* for 44 years. Communications Manager Cassandra Gray was awarded the Ad Astra Award for her outstanding ability to work with staff and NASBA clients.

The next meeting of the NASBA Board of Directors will be held virtually on April 23, 2021.

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

## 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. Please send your Board's responses to NASBA and your Regional Director by April 13, 2021.*

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

1. Remote Testing – On January 21 NASBA held a webinar on remote testing, as a potential response to future test center closures. Limited pilot tests will take place in the months ahead. A white paper “Proposed Pilot of Remote Proctoring of CPA Examination: Update and FAQs for Boards of Accountancy,” that included an appendix of frequently asked questions on remote testing, was also made available to the Boards on January 21. After reviewing the report, does your Board require additional information from NASBA on remote testing and/or the pilot testing for this project?

Yes, please contact us \_\_\_\_\_ No, not at this time \_\_\_\_\_

2. Would your Board like additional information on the following:

CPA Evolution \_\_\_\_\_

Accreditation \_\_\_\_\_

Requiring fraud CPE (California's rule) \_\_\_\_\_

Other \_\_\_\_\_ (Please describe) \_\_\_\_\_

3. Would your Board like a speaker to address their meeting on:

Outreach to educators in support of CPA Evolution \_\_\_\_\_

Working with ARPL (Alliance for Responsible Professional Licensing) \_\_\_\_\_

Other \_\_\_\_\_ (Please describe) \_\_\_\_\_

4. Please share your anticipated Board meeting calendar for the rest of 2021. Please respond with TBD if a meeting will be held but the date is still to be determined. Use n/a for months without meetings.

| <b>MONTH:</b> | <b>Planned Date(s)</b> |
|---------------|------------------------|
| <b>Apr</b>    | _____                  |
| <b>May</b>    | _____                  |
| <b>June</b>   | _____                  |
| <b>July</b>   | _____                  |
| <b>Aug</b>    | _____                  |
| <b>Sept</b>   | _____                  |
| <b>Oct</b>    | _____                  |
| <b>Nov</b>    | _____                  |
| <b>Dec</b>    | _____                  |

5. What is happening in your jurisdiction that is important for other State Boards and NASBA to know about? \_\_\_\_\_



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

a. No. \_\_\_\_\_

b. Yes. Please explain. \_\_\_\_\_

7. 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):

**EXECUTIVE SUMMARY**  
**NASBA REGIONAL DIRECTORS' FOCUS QUESTIONS**  
**November 2020 – January 2021**  
32 Jurisdictions Responding

**1. Has your Board discussed remote testing/proctoring and, if so, what was the outcome?**

**NO** – 13 jurisdictions **YES** – 17 jurisdictions

Answers included: **Arkansas** – We have concerns about security, ADA issues, and fairness for candidates in general. **Louisiana** – Like emergency use only at this time. **Minnesota** – Like the concept, ready to learn more. **Mississippi** – Opposed to remote testing at this time.

**2. Would a remote testing/proctoring presentation be helpful to your Board?**

**YES** – 16 jurisdictions **NO** – 14 jurisdictions

**3. What are your Board's top agenda items/initiatives for 2021?**

Answers included: **Florida** – Improving compliance with CPE requirements; **Mississippi** – Further discussion of licensee and Board diversity; **North Carolina** – Succession planning for CPA firms. **Texas** – Adoption of amended education rules.

**4. Has your Board taken any disciplinary actions for failure to comply with IT security plans required by the IRS or other Federal agencies?**

**None to date** - 30 jurisdictions **YES** - 2 jurisdictions (**Alabama** and **Washington**)

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

Answers included: **Idaho** – Movement to an umbrella agency; **New Mexico** – Hosted first virtual swearing-in ceremony on December 11; **Wyoming** – Universal Licensure Bills.

**6. How can NASBA be of assistance to your Board at this time?**

Answers included: **Alabama** – Continue to monitor legislation; **New York** – Provide further guidance on education to define “quality.”; **South Dakota** – Provide a matrix of data analytic courses not in a business or accounting program.

**SEE FOCUS QUESTION REPORT FOR COMPLETE ANSWERS**

## Focus Questions - Winter 2020

| <b>Jurisdiction</b>                          | <b>Has your Board discussed remote testing/proctoring and, if so, what was the outcome?</b> | <b>If yes, please explain</b>  |
|--|---|--|
| Alaska                                       | No  |  |
| California                                   | No  |  |
| Commonwealth of the Northern Mariana Islands | No  |  |
| Georgia                                      | No  |  |
| Iowa   | No  |  |
| Nebraska                                     | No  |  |
| New Mexico                                   | No  |  |
| North Dakota                                 | No  |  |
| Oklahoma                                     | No  |  |
| Puerto Rico                                  | No  |  |
| Texas  | No  |  |
| Virginia                                     | No  |  |
| Wyoming                                      | No  |  |
| Alabama                                      | Yes   | The Board submitted a letter to NASBA on December 2, 2020 - Board is not currently open to remote testing based on the fact that many critical questions have not been answered. The Board letter also stated that we would not accept grades from remote testing either directly or through reciprocity.  |
| Arizona                                      | Yes   | At the Board's November 2 meeting, Board staff provided an update on the Remote Testing presentation. The Board listened to the update but did not take any specific action. They requested that Board staff send the slideshow to the Board members and they would make a subsequent decision about whether or not they wanted a presentation by NASBA staff. While I responded "no" to the next question, that may change if there is interest expressed by the Board at a later date. |
| Arkansas                                     | Yes   | We have concerns about security, ADA issues, and fairness for candidates in general.   |
| Florida                                      | Yes   | Preliminary discussion. Concerned but not opposed so far.  |
| Hawaii                                       | Yes   | Board had concerns over security.  |
| Idaho  | Yes   | The Board was at first very skeptical but after continued discussion and the passing of information are more open to the idea than previously. We have already scheduled Colleen Conrad and Dan Dustin to join the board to discuss at their January meeting.  |

## Focus Questions - Winter 2020

|                  |     |   |
|------------------|-----|---|
| Kansas           | Yes | The Kansas Board is not in favor at this time due to lack of information and assurance regarding security, ADA accommodations, cost, and several other issues.  |
| Louisiana        | Yes | Like emergency use only at this time. Educators not happy with some systems in use. Would need demonstration and more questions answered to get comfortable with using.   |
| Minnesota        | Yes | Like the concept, ready to learn more.  |
| Mississippi      | Yes | Opposed to remote testing at this time. Sent letter to Ken Bishop on December 18th.   |
| Missouri         | Yes | Minimal discussion - no outcome.  |
| Montana          | Yes | Basically an introduction for them as they didn't attend the informational webinar. Didn't take a position on it.   |
| Nevada           | Yes | The Board discussed remote proctoring at their meeting today. The Board still has concerns regarding the security of the exam as well as the "fairness" level of the exam so that candidates are getting the same equal exam experience as those that would take it in a testing center |
| New York         | Yes | The NY Board briefly discussed remote proctoring at the Nov Board meeting. We will have an in depth discussion at the Jan Board meeting with a presentation by NASBA, AICPA, and Prometric.   |
| North Carolina   | Yes | We need more information such as answers for all the questions from the remote proctoring video presentations   |
| South Dakota     | Yes | The Board needs more information and details before rendering an opinion.   |
| Washington State | Yes | The topic has been introduced, but there has been no definitive discussion on the topic.  |
| West Virginia    | Yes | The Board has discussed remote testing and has attended Zoom meetings and reviewed material provided by NASBA. Although no official action has been taken, it appears that a majority of the Board would entertain remote testing.  |

## Focus Questions - Winter 2020

| <b>Jurisdiction</b>                          | <b>Would a remote testing/proctoring presentation be helpful to your Board?</b> |
|--|---|
| Alaska                                       | No, thank you   |
| Arizona                                      | No, thank you   |
| Commonwealth of the Northern Mariana Islands | No, thank you   |
| Florida                                      | No, thank you   |
| Idaho  | No, thank you   |
| Kansas                                       | No, thank you   |
| Minnesota                                    | No, thank you   |
| Mississippi                                  | No, thank you   |
| Nevada                                       | No, thank you   |
| North Carolina                               | No, thank you   |
| Puerto Rico                                  | No, thank you   |
| South Dakota                                 | No, thank you   |
| West Virginia                                | No, thank you   |
| Alabama                                      | Yes, please contact me  |
| Arkansas                                     | Yes, please contact me  |
| California                                   | Yes, please contact me  |
| Georgia                                      | Yes, please contact me  |
| Hawaii                                       | Yes, please contact me  |
| Louisiana                                    | Yes, please contact me  |
| Missouri                                     | Yes, please contact me  |
| Montana                                      | Yes, please contact me  |
| Nebraska                                     | Yes, please contact me  |
| New Mexico                                   | Yes, please contact me  |
| New York                                     | Yes, please contact me  |
| North Dakota                                 | Yes, please contact me  |
| Oklahoma                                     | Yes, please contact me  |
| Texas  | Yes, please contact me  |
| Washington State                             | Yes, please contact me  |
| Wyoming                                      | Yes, please contact me  |
| Iowa   |   |
| Virginia                                     |   |

## Focus Questions - Winter 2020

| Jurisdiction                                 | What are your Board's top agenda items/initiatives for 2021   | Has your Board taken any disciplinary actions for failure to comply with IT security plans required by the IRS or other Federal agencies? |
|--|---|---|
| Alaska                                       | Sunset Board extension legislation is upcoming and the Board also hopes to have additional cleanup legislation active in the upcoming session to bring AK more in line with UAA.  | None to date  |
| Arizona                                      | The Board is working on its record retention policies and a document management system project to work toward a more paperless office. AZ already has firm mobility. The AZ board expressed concerns over the amended education rules so they will not likely be adopted as it won't impact Arizona's standing as a substantially equivalent jurisdiction and because AZ already does detailed transcript reviews.  | None to date  |
| Arkansas                                     | No legislation is planned for the 2021 legislative session, we will promulgate rule changes regarding CPE and maybe other topics in mid to late 2021.   | None to date  |
| California                                   | <p>1. In 2021, the California Board of Accountancy will be actively continuing its Business Modernization Project, which it began executing in 2019. Initiated prior to COVID-19, the pandemic brought into greater focus the fact that having a larger number of operations available online would make processing more streamlined, especially given a new telework environment. To that end, the CBA is planning to move into the next phase of the project in 2021, and continue implementing new procedures to improve processes identified as outdated.</p> <p>2. The CBA aims to increase its outreach efforts in 2021. In 2020, as a response to COVID-19 and these overall changing times, the CBA shifted its outreach focus online, using multiple digital rather than in-person methods to communicate with consumers about the role and consumer protection mission of the CBA, educate applicants about the requirements for CPA examination and licensure, and to inform licensees about the requirements to maintain their license. The online format of these and future events provides the CBA with more flexibility and the opportunity to reach a larger audience. As these online platforms and events provide new access points for attendees, the CBA anticipates increasing these virtual events next year.</p> <p>3. After exploring the statutory or regulatory changes that would be necessary to allow candidates to take the Uniform CPA Examination (CPA Exam) prior to degree conferral, in 2020 the CBA sponsored Assembly Bill 2267 (Irwin). Unfortunately, due to the abbreviated Legislative session in California, that bill was tabled. However, the CBA is working with Assemblywoman Irwin, who plans to introduce this language once again in the 2021 Legislative Session. Presently, the CBA requires a candidate to have completed their Bachelor's degree and have the conferral reflected on their transcript prior to being authorized to take the CPA Exam, a process that can take several weeks following graduation and lead to many candidates missing the opportunity to take the CPA Exam in a timely manner following the end of their coursework.</p> | None to date  |
| Commonwealth of the Northern Mariana Islands | We fully expect to have our UAA statute updated, and to adopt rules. Although our Board has not currently appointed members, we have submitted the proposed legislation to the CNMI Legislature's legal counsel in proper bill form. We are waiting for the newly elected Legislature to take office in January, and will then seek a sponsor for the bill.   | None to date  |
| Florida                                      | Improving compliance with CPE requirements.   | None to date  |
| Georgia                                      | Updating our CPE Rule. Getting Georgia OPB to give back our budget reductions. Getting Board members appointed and reappointed.   | None to date  |
| Hawaii                                       | Amendment of Hawaii Administrative Rules to allow for continuous testing. Legislative change to Hawaii Revised Statutes to allow for more participation on PROC.  | None to date  |
| Idaho  | The Board will continue to learn how to navigate the current environment that moved the agency from an independent board to one under the Division of Occupational and Professional Licenses of Idaho and needs to have deeper discussion around the amended education rules.   | None to date  |
| Iowa   | We are in the middle of state required review of our rules.   | None to date  |
| Kansas                                       | The Board members will be participating in the remote testing webinar Monday December 14.   | None to date  |
| Louisiana                                    | Continued adjustments in operations for Covid restrictions including research and implement software improvements for staff to be more productive remotely if needed. Search and replace retiring Executive Director. Look at changes needed for education rules.   | None to date  |
| Minnesota                                    | Comprehensive review of our statutes and rules. New committee charges for the Board to address. Surviving any restructure or budget cuts.   | None to date  |
| Mississippi                                  | Further discussion of licensee and board diversity.   | None to date  |
| Missouri                                     | Our board is working on rules related to recent legislative change allowing testing at 120 hours.   | None to date  |

## Focus Questions - Winter 2020

|                  |   |  |
|------------------|---|--|
| Montana          | Dan Dustin did attend our meeting and did do an overview but keeping them updated and informed is always helpful  | None to date   |
| Nebraska         | On the above, Colleen Conrad is presenting on Remote Testing at our Friday, January 8th Meeting.<br>Our Board will launch a Rules of Professional Conduct Task Force this year to study if the AICPA Code of Conduct should be adopted or if the current Rules of Professional Conduct should be updated.<br>Another Nebraska Society Task Force will review and make recommendations regarding small firm ownership and succession issues in Nebraska. | None to date   |
| Nevada           | The Board continues to review diversity and has recent conversations regarding this effort. Nevada's legislature has made it part of their continued agenda as well. Nevada is addressing how to identify the ethnicity of its licensees when it has historically not been a question the Board can ask. Firm mobility is also a topic however the Board wanted to wait out the 2021 legislative year for any bill submissions                          | None to date   |
| New Mexico       | Creating a more efficient audit process, diversity within the profession (working with society and state auditor's office)  | None to date   |
| New York         | Amendment to the Education rules for licensure.   | None to date   |
| North Carolina   | Succession planning for CPA firms<br>Board strategic plan<br>Improve Board technology imprint   | None to date   |
| North Dakota     | No pressing issues at this time.  | None to date   |
| Oklahoma         | New system is being implemented.<br>Occupational licensing  | None to date   |
| Puerto Rico      | CPE Regulations   | None to date   |
| South Dakota     | Discussion with educators and review of model rules   | None to date   |
| Texas            | adoption of amended education rules   | None to date   |
| Virginia         | Establishing disciplinary guidelines, amended education rules as it relates to CPA Evolution, fees in general   | None to date   |
| West Virginia    | Board members indicated that responding to any proposed legislation affecting Board organization (such as an umbrella board), and time for new ED to get familiar with Board and profession would be the most pressing initiatives for 2021.  | None to date   |
| Wyoming          | Update rules, streamline discipline process   | None to date   |
| Alabama          | We have no top agenda items for the current year. The Board has been very active in updating statutes and rules over the past 5 years and we find ourselves in change overload. This is a good year to take a break from implementing any changes. We will be reviewing our potential need for a new database.  | Yes  |
| Washington State | We are implementing a new licensing system.<br>We will seek to reform title usage in Washington State in 2021<br>We are concerned about the effect of the AICPA's management of peer review on smaller CPA firms.<br>A new Executive Director will be appointed soon and will take over after January 31, 2021  | Yes, We had a case some years ago that tangentially related to this issue dealing with client information and the use of a cloud based server hosted by a foreign country. |

## Focus Questions - Winter 2020

| Jurisdiction                                 | What is happening in your jurisdiction that is important for other State Boards and NASBA to know about?  | Can NASBA be of any assistance to your Board at this time?   |
|--|---|--|
| Alabama                                      |   | Colleen will be making a presentation on remote testing at our January meeting.  |
| Alaska                                       | Board meetings being held via Zoom. Most, if not all in-state CPE being webcast.  | Once the legislation is active; letters of support from NASBA would be helpful.  |
| Arizona                                      |   | We appreciate the ongoing support of NASBA's Communication's Team with our routine and custom email communications.  |
| Arkansas                                     | We are still under travel restrictions for as long as the Governor's Declaration of Emergency is in place.  |  |
| California                                   | Following the 2020 Legislative Session, California Governor Gavin Newsom signed Assembly Bill (AB) 1525, which takes effect January 1, 2021, and provides a "safe harbor" under state law for licensed individuals or firms that practice public accounting if they render services to licensed commercial cannabis businesses. The bill specifies that an individual or firm that practices public accounting pursuant to the Accountancy Act in the Business and Professions Code (BPC) "does not commit a crime under California law solely for providing professional accounting services" to persons licensed to engage in commercial cannabis activity. | The CBA does not need any assistance at this time.   |
| Commonwealth of the Northern Mariana Islands | The CNMI is one of the safest places in America, with zero community spread for over 4 months. All incoming travelers, resident or not, must go through mandatory quarantine in a government facility. The CNMI economy is heavily dependent on tourism, which disappeared in March. The primary means of support since then has been Federal government support, PPP loans, EIDL loans, and FEMA grants.   | NASBA is actively assisting with the update of the legislation. The CNMI Legislature Legal Counsel has asked for a side by side comparison of the existing statute to the proposed bill.   |
| Florida                                      | Considering requiring CPE providers to report to a state agency database when a CPA completes a course. The database would be used to generate periodic email blasts informing individuals of their status and it would be used to determine compliance prior to license renewal. Considering an alternative plan whereby CPAs would be required to upload copies of certificate of completion as proof of compliance   | If the FL Board offers resistance to remote testing, be available for a presentation.  |
| Georgia                                      | Big Senate election in January.   | Would wait until new Board Members are appointed for remote testing presentation.  |
| Hawaii                                       | The State has been revising its policies on out of state travel. Incoming travelers are not required to quarantine if they have a negative COVID test within 72 hours of their arrival into the State.  | Not at this time.  |
| Idaho  | Movement to an umbrella agency.   | We have already made arrangements for NASBA assistance during the 1st quarter of 2021.   |
| Iowa   | Nothing new recently that I am aware of.  | NASBA representatives attended (via zoom) our last board meeting to provide input to new rules required for conformity to state law. Their input was appreciated.  |
| Kansas                                       | Pretty quiet here.  | No thank you.  |
| Louisiana                                    | Governor emergency declaration expired and new state law is too limited in scope to allow Board to meet virtually based on legal advice. In person meetings and disciplinary hearings require moving to hotel facilities to meet city's more restrictive social distancing requirements.  |  |
| Minnesota                                    | Concern about candidates being able to test both now and if another full shut down takes place.   |  |
| Mississippi                                  |   | No   |
| Missouri                                     | Remote working is fairly common at this time due to the pandemic and board meetings are being held virtually at this time.  | Possibly some overall training as to the application process and steps taken by applicants and NASBA for states participating in CPAES. We are often contacted by candidates but in our state, this process has been done by NASBA for years. I think it would be helpful if we knew the ins/outs of the process to better answer questions that come our way. |
| Montana                                      |   |  |
| Nebraska                                     | Board staff remains in their partial contingency plan with one staff member in the office while the other two work remotely. The Nebraska Legislature opens their session beginning Wednesday, January 6, 2021 for their 90 day (long) session.   | Again, Colleen is joining us Friday and Dan Dustin is always of assistance on issues that arise. We anticipate on calling on John Johnson for legislative assistance on any anti-regulatory efforts within the Legislature this year.  |



## Focus Questions - Winter 2020

|                  |   |  |
|------------------|---|--|
| Nevada           | Continued monitoring of the COVID19 pandemic and Governor's restrictions on group gathers. Continued zoom meetings until a time in which the state allows in person meetings.   | NASBA is a fantastic resource and we continue to utilize the various resources you have made available to Boards.  |
| New Mexico       | The NMPAB will be hosting the first ever Virtual Swearing in Ceremony on December 11, 2020. The Board adopted new rules in August 2020 that took effect on October 1, 2020.   | No not at this time - thank you.   |
| New York         | NY board staff is working remote through 4/2/2021. There is no travel allowed. The Board will be working on amending the education regulations.   | Provide further guidance to the Boards on education under the new UAA to define "quality" related to the course work. Provide assistance in identifying which schools provide "quality" course work. |
| North Carolina   | Nothing at this time  | Not at this time. Thanks.  |
| North Dakota     | NA  | NA   |
| Oklahoma         | We are implementing a new licensing system. Legislative changes necessary to comply with the new exam.  | Nasba needs to be able to parachute in to assist in occupational licensing legislation.  |
| Puerto Rico      | N/A   | No at this time.   |
| South Dakota     |   | Please provide a matrix on data analytics courses not in a business or accounting program.   |
| Texas            | Legislature to convene in January 2021 - no accountancy act legislation anticipated at this time.   | Not at this time.  |
| Virginia         | Colleen will be discussing remote testing with our board members at our next meeting, Dec. 1  |  |
| Washington State | We will be dealing with some budget reductions.   | I believe that some explanation of remote proctoring would be helpful  |
| West Virginia    | <ol style="list-style-type: none"> <li>1. The Governor of West Virginia has recently enacted a ultra-mandatory mask order, closed schools after Thanksgiving until December 3, 2020, and cancelled winter high school sports until January 11, 2021.</li> <li>2. The Board has hired a new ED who will begin on December 7, 2020.</li> <li>3. It is expected that legislation will be proposed to place several licensing boards under some type of umbrella structure during this next legislative session.</li> </ol> | NASBA always does a great job responding to our needs.   |
| Wyoming          | Universal Licensure Bills; new staff  | Possible assistance regarding statute and rules revisions  |

## Focus Questions - Winter 2020

| <b>Jurisdiction</b>                          | <b>Can NASBA be of any assistance to your Board at this time?</b> |
|--|---|
| Hawaii                                       | Input from all Board Members and Executive Director               |
| Nevada                                       | Input from all Board Members and Executive Director               |
| South Dakota                                 | Input from all Board Members and Executive Director               |
| Idaho  | Input from some Board Members and Executive Director              |
| New York                                     | Input from some Board Members and Executive Director              |
| West Virginia                                | Input from some Board Members and Executive Director              |
| Commonwealth of the Northern Mariana Islands | Input only from Board Chair                                       |
| Iowa   | Input only from Board Chair                                       |
| Louisiana                                    | Input only from Board Chair                                       |
| Alaska                                       | Input only from Board Chair and Executive Director                |
| California                                   | Input only from Board Chair and Executive Director                |
| Minnesota                                    | Input only from Board Chair and Executive Director                |
| New Mexico                                   | Input only from Board Chair and Executive Director                |
| North Carolina                               | Input only from Board Chair and Executive Director                |
| Texas  | Input only from Board Chair and Executive Director                |
| Alabama                                      | Input only from Executive Director                                |
| Arizona                                      | Input only from Executive Director                                |
| Arkansas                                     | Input only from Executive Director                                |
| Florida                                      | Input only from Executive Director                                |
| Georgia                                      | Input only from Executive Director                                |
| Missouri                                     | Input only from Executive Director                                |
| Montana                                      | Input only from Executive Director                                |
| Nebraska                                     | Input only from Executive Director                                |
| North Dakota                                 | Input only from Executive Director                                |
| Puerto Rico                                  | Input only from Executive Director                                |
| Virginia                                     | Input only from Executive Director                                |
| Washington State                             | Input only from Executive Director                                |
| Wyoming                                      | Input only from Executive Director                                |
| Kansas                                       |   |
| Mississippi                                  |   |
| Oklahoma                                     |   |

***The Uniform CPA Examination***

***Proposed Pilot of Remote Proctoring of CPA  
Examination: Update and FAQs for Boards of  
Accountancy***

***January 21, 2021***

***Prepared by NASBA, AICPA and Prometric for Board of  
Accountancy Informational Purposes***

# **1 Executive Summary**

## **1.1 Executive Summary**

The purpose of this paper is to provide board of accountancy members and staff with a document outlining additional details regarding a proposed remote testing pilot exercise for the CPA Exam (RT PILOT); summarize identified risks and proposed mitigations specific to remote testing; and answer many frequently asked questions posed by board of accountancy members and staff during recent meetings and webcasts.

This paper will be followed in January 2021 by a letter to the board of accountancy chairs and executive directors requesting direction regarding the acceptance of CPA Exam scores for the small number of candidates who would volunteer to test remotely as part of the RT PILOT in pre-selected jurisdictions.

### **Background**

In 20Q2, the world, including the administration of the Uniform CPA Examination (CPA Exam), was significantly impacted by the Covid-19 pandemic. Prometric closed its test centers in North America and beyond for an extended period and 26,000 CPA candidate appointments were cancelled. Many were rescheduled upon reopening of test centers, but over many months. Some candidates have not yet rescheduled their appointments. Are they taking advantage of the extended notice to schedule (NTS) periods and credit extensions, or have some of them dropped out of the CPA pipeline? It remains too early to tell. Since July 2020, Prometric has been open at nearly 100% available capacity; however, Prometric continues to operate with less than 70% test center occupancy.

All jurisdictions responded to the pandemic by providing scheduling and credit extensions to candidates; blanket extensions for all in early months of the crisis and generally now on a case-by-case basis. One jurisdiction even had an executive order requiring that all licensing boards grant provisional licenses without examination until tests once again became available. Some states tried to pass legislation that would make it legal to practice without credentials or a license, since candidates could not complete testing and secure that credential or license. The uncontrollable reaction of state legislatures and executive orders lend further urgency and necessity to have a remote solution at the ready for emergency use if test centers are closed.

In March 2020, when the test centers were closed, NASBA and AICPA executive leadership decided it was prudent to investigate the possibility of remote proctoring of the CPA Exam as a contingency and back-up solution if, and when, test centers must again close for any significant period. Since then, NASBA-AICPA-Prometric (NAP) have been working together to evaluate

and plan for the possibility of ensuring the availability of potential future remote testing of the CPA Exam for emergency use. Our joint teams of technology, operations, legal, data privacy, cybersecurity and other experts have been progressing in their efforts to prepare for the possibility of remote testing, while at the same time assessing risk and focusing on mitigation strategies.

NASBA and AICPA believe a RT PILOT, as proposed, allows NAP to test, learn from, and reassess remote testing before the AICPA, NASBA, or the boards of accountancy would ever consider deploying remote testing at a larger scale for emergency use. The hope is that NAP can complete a RT PILOT and work with the boards to then further assess the viability of remote testing before Prometric test centers must close in the future for any reason.

NASBA and AICPA leadership stand firm in their recommendation to proceed with the logical and necessary step of a RT PILOT due to recent record-breaking spikes in the virus and resulting deaths, plus the uncertainty of vaccine efficacy for new strains and a protracted roll out of vaccines.

A continual pipeline of newly licensed CPAs into the profession is vital to the continued protection of the public. The ability to continue testing candidates and allowing them to progress on their journey to CPA licensure benefits the candidates, their employers, and the public.

### **Status of Other Testing Programs**

It is important to note that many other professional credentials and licensing bodies are, like NASBA and AICPA, at minimum, exploring remote testing while others have already implemented remote testing. Examples of licensing bodies which have already begun remote testing include:

- National Council of Architectural Registration Boards (NCARB)
- Council of Landscape Architecture Registration Boards (CLARB)
- Financial Industry Regulatory Authority (FINRA)
- Pharmacy Technician Certification Board (PTCB)
- Medical Council of Canada (MCC)
- Board of Pharmacy Specialties (BPS)

In the accounting profession, the Global Accounting Alliance (GAA) is working with their constituents to share best practices as the following bodies are either exploring or have implemented remote testing:

- Institute of Chartered Accountants of England and Wales (ICAEW)
- Chartered Accountants of Ireland (CAI)
- South African Institute of Chartered Accountants (SAICA)

- Institute of Chartered Accountants of Scotland (ICAS)
- CPA Canada

The Association of Test Publishers (ATP), and its membership bodies in testing, which include the AICPA, Prometric, and other testing bodies and vendors, are also sharing information, offering webinars, workshops, and sharing best practices on policies, procedures, and psychometric considerations. NASBA and AICPA have also been in direct contact with other testing programs which have already implemented remote testing capability to learn from their efforts.

## **2 Remote Testing Pilot Program (RT PILOT)**

Prior to reading the rest of this document, please familiarize yourself with the following user guide: [https://www.prometric.com/sites/default/files/2020-04/PrometricProUserGuide\\_3.1\\_1.pdf](https://www.prometric.com/sites/default/files/2020-04/PrometricProUserGuide_3.1_1.pdf)

### **2.1 Why is a RT PILOT Recommended?**

NASBA and AICPA agree that it is prudent to perform a small-scale live test of CPA Exam remote proctoring before it may be needed for true emergency use. An emergency would not be the time to “try it out”.

The recommended RT PILOT allows NAP to administer the Exam in a very limited fashion via remote testing, in true production environments, delivering reliable applicable scores to a small set of specifically selected Candidates in a restricted time period, with restricted Exam content, all while testing the NAP software, systems, interfaces, processes, and communications at a much-reduced scale with acceptable levels of risk. This RT PILOT is vital to assessing the readiness and availability of the program for emergency use if Prometric Test Centers are closed, should the boards of accountancy decide to allow its use for its candidates.

This live RT PILOT would only be conducted after (1) extensive user acceptance and internal candidate experience testing by NAP. “Friends and Family” candidate experience testing by a small group including state board members and staff, ERB representatives and others will also occur. In addition, the RT PILOT would not be allowed to proceed until technical systems are complete and tested and system security measures are fully in place and tested. After this robust testing, the testing of actual candidates in a live environment becomes crucial because NAP needs to secure relevant and honest feedback from candidates with prior test-center experience, candidates trying to pass the Exam section, and ultimately, candidates that have a vested interest in a successful test administration.

At the conclusion of the RT PILOT, NAP will report results of the PILOT to the accountancy boards for review and consideration. Depending on such results, further recommendations might be made for additional pilot phase(s), as needed. NAP will not recommend consideration of using ProProctor for emergency use when Prometric Test Centers are closed without first satisfactorily concluding that any and all risks have been appropriately mitigated. NAP would never seek to administer the CPA Exam to candidates in any circumstances unless it was sufficiently secure, reliable, and psychometrically valid and fair.

## **2.2 Will Taking the CPA Exam via the RT Pilot be Equivalent to Taking It in a Test Center?**

The AICPA's Psychometric Oversight Committee (POC) discussed CPA Exam remote testing plans at its May and October 2020 meetings. At the October 2020 meeting the POC expressed unanimous support for the approach being taken to engage in a RT PILOT so that the NAP and the accountancy boards will be prepared, should future conditions require broader remote testing. The POC was also very supportive of the plan to have remote testing reserved for only emergency purposes at this time, rather than launching initially on a broader scale. POC members did identify testing accommodations as a challenge for remote testing environments; therefore, given the limited nature and restrictions of the RT Pilot, test accommodations will not be provided for the RT Pilot.

The POC affirms that the Uniform CPA Examination remains uniform whether it is administered in a Prometric Test Center or remotely via ProProctor. The same content and skills are tested utilizing the Uniform CPA Examination Blueprint. As such, scores from candidates testing as part of the RT PILOT should be considered uniform to those testing in test centers.

NASBA and the AICPA believe that scores from the small number of candidates who volunteer to take part in the RT PILOT should be accepted by accountancy boards as valid for licensure, as permitted by jurisdiction law and board rules. As noted earlier, a letter will be sent to all board chairs and executive directors confirming acceptance of such scores solely for RT PILOT candidates.

## **2.3 How will the RT PILOT work?**

In order to maintain security, minimize risk, and provide adequate data for NAP review, the RT PILOT is anticipated to be defined as follows:

- Candidates from several selected boards of accountancy (after board approval) may volunteer to take the CPA Exam as part of the RT PILOT
- No candidate will be required to participate in the RT PILOT. It will be on a voluntary basis.

- Candidates will consent in writing to their participation in the RT PILOT and all associated changes to their testing experience.
- Fees will be the same for testing remotely or in a test center.
- Only domestic candidates may participate (no candidates with international addresses).
- The RT PILOT will consist of 250-1,000 total sections tested.
- Candidates may not be first-time test takers and therefore will be familiar with the testing process.
- The RT PILOT is anticipated to occur in 21Q2.
- All sections (AUD, FAR, REG, and BEC) will be available for testing.
- Candidates may take multiple sections during the RT PILOT. As an example, they may take AUD and FAR remotely.
- Candidates will not be able to retest a failed section administered in the RT PILOT during the RT PILOT, though they will be able to retest by making an appointment in a Prometric Test Center.
- Should a Candidate not be able to complete their test administration of a section in the RT PILOT for any reason, they may not reschedule that section into the RT PILOT.
- Candidates requiring ADA test accommodations will not be tested in the RT PILOT.

In addition:

- The Exam sections delivered as part of the RT PILOT are production sections and are comparable (they all meet the same test specifications) to the sections delivered in a Prometric Test Center.
- At a general level, the AICPA will compare the RT PILOT Candidates performance (scores, timing, etc.) to the performance of Prometric Test Center candidates. A direct comparison between remote testing and test center testing may not be made as the volumes are quite different.
- The AICPA is proposing the specific timeline and RT PILOT requirements to minimize any negative impact on the CPA Exam item bank.
- Prometric has confirmed that they have more than adequate ProProctor and system capacity to support the RT PILOT.

NAP will remain diligent in its rigorous oversight of the remote testing systems and will report out to the accountancy boards the results of the RT PILOT. RT PILOT candidates are already familiar with testing protocols and potentially have more to lose should they be found cheating or stealing content. Should a Prometric Proctor see anything suspicious or in violation of any rules, the Prometric Proctor can interrupt, question, and terminate a Candidate testing remotely at any time. A candidate may be asked to scan the room at any time with their camera. Should a rare cheating or security incident occur, NAP is prepared, as it always is, to provide the state boards with the necessary background information.



Note that the AICPA produces approximately 12-18 statistically equivalent forms of each of the four sections (AUD, REG, BEC, FAR) for each quarter, and there are two versions of each form. For the RT PILOT, a small number of versions for each of the four sections will ONLY be administered to candidates in the RT PILOT. These versions are applicable for scoring and licensing. Using these versions for only RT PILOT allows AICPA to maximize security and minimize risk to the RT PILOT.

Numerous network and security practices are in place by the AICPA Exams Team, in the transmission of the software and the Exam to Prometric, and in the transmission by Prometric to the test centers. Similar system and network practices are in place between the AICPA, Prometric, and the Candidate's system to protect the Exam and its software and to ensure a secure administration.

The RT PILOT allows NAP to administer the Exam via remote testing, in true production environments, delivering reliable applicable scores to Candidates, all while testing the NAP software, systems, interfaces, processes, and communications all at a much-reduced scale with acceptable levels of risk. Note that NAP is hopeful that one pilot administration will be adequate; however, a second or third may be warranted.

## Attachment A

### RISKS AND MITIGATIONS HIGH-LEVEL SUMMARY

| Risk                      | Risk Description   | Mitigation   |
|---------------------------|--|--|
| Testing Accommodations    | Uniform testing availability for special accommodation candidates                            | <ul style="list-style-type: none"> <li>· ADA candidates will not be included in the RT PILOT.</li> <li>· ADA testing accommodations must be supported prior to approving remote testing for emergency use, or any other use.</li> <li>· NAP continues to develop their plans and solutions for supporting fully ADA compliant test accommodations.</li> </ul>  |
| Board and Exam Uniformity | Will it still be a uniform Exam if some candidates test remotely and others in test centers? | <ul style="list-style-type: none"> <li>· Regardless of location, the Exam tests the same content and skills following the Blueprint.</li> <li>· Only slight differences exist in the software and the administration.</li> <li>· The Psychometric Oversight Committee has deemed the CPA Exam given via the RT PILOT to be comparable and fair.</li> <li>· The check-in and proctoring processes are substantially similar to that in test centers, though not exactly the same</li> </ul> |

|  |   |   |
|--|---|---|
|  | <p>Transferability / reciprocity of scores obtained by remote testing between jurisdictions</p> | <ul style="list-style-type: none"> <li>· The request will be for all boards to accept scores of a small number of exam candidates in a few jurisdictions solely for RT PILOT purposes</li> <li>· A full report regarding the RT PILOT will be provided to the boards before seeking final approval to use remote proctoring for emergency use only on a go forward basis.</li> </ul>  |
|  | <p>Need for jurisdictions to change their statutes or rules to allow for remote testing</p>     | <ul style="list-style-type: none"> <li>· No statute changes appears to be required.</li> <li>· A small number of jurisdictions have specific reference to Prometric Test Centers in their rules. This might possibly need to be addressed, pending board legal review.</li> </ul>   |
|  | <p>Definition of “emergency” or “other purpose”</p>   | <ul style="list-style-type: none"> <li>· An “Emergency Purpose” definition is not required for the RT PILOT.</li> <li>· NAP continues to refine its “Emergency Purpose” definition. It will be reviewed with the NASBA CBT Administration Committee for approval, in consultation with the Executive Director Committee, and other constituents before remote testing would be more widely administered.</li> <li>· It is anticipated that the definition of Emergency will be predicated on extensive and lengthy test center shutdowns due to government mandates or force majeure situations.</li> </ul> |

|                     |   |   |
|---------------------|---|---|
| Costs to Candidates | Increased Exam cost to candidate                    | <ul style="list-style-type: none"> <li>· Candidates will be charged the same fee for remote testing as they are charged for testing in test centers.</li> <li>· Implementing the software changes to support remote testing are not projected to require increased costs to the candidates.</li> </ul>  |
| Testing Experience  | Equipment, internet access and capacity             | <ul style="list-style-type: none"> <li>· System requirements (computer / laptop setup / webcam / keyboard / mouse / monitor / internet speed / internet connection type) will be clearly delineated and available to potential candidates.</li> <li>· All candidates must meet these requirements.</li> <li>· A system readiness check will be available for advance testing by the candidates. The ProProctor System Check ensures that a candidate's system meets the minimum standards for remote testing via ProProctor. CPA Exam-specific system requirements in excess of the ProProctor minimum standards will be communicated to prospective candidates.</li> </ul> |
|                     | Reliant on internet connectivity – web-based driver | <ul style="list-style-type: none"> <li>· Remote testing requires a stable internet connection for the candidate.</li> <li>· The candidate's connection is tested prior to starting the Exam and any lengthy disconnect will abort the Exam administration.</li> </ul>   |

|               |  |   |
|---------------|--|---|
|               | Testing environment                              | <ul style="list-style-type: none"> <li>· Prometric has clear and strict policies regarding acceptable testing environments that candidates must meet for the duration of the Exam's administration.</li> <li>· Guidance will be provided on how to prepare one's environment for testing.</li> <li>· Readiness agents will guide candidates to rectify environment issues, when feasible</li> </ul> |
|               | Candidates without internet access               | <ul style="list-style-type: none"> <li>· During the RT PILOT, candidates may always choose to test in a test center.</li> <li>· Candidates may select to test at their employer, college or university, friends or family homes, etc.</li> <li>· NAP will continue to monitor other programs and case law.</li> </ul>   |
| Test Security | Access to other information on personal computer | <ul style="list-style-type: none"> <li>· The candidate's computer is locked down by the ProProctor system during the initialization process and the Candidate may not access anything on their computer.</li> <li>· The NAP Cyber Team has a security risk assessment underway.</li> </ul>  |

|  |  |   |
|--|--|---|
|  | <p>Protection of content (item harvesting)</p> | <p>For the RT PILOT:</p> <ul style="list-style-type: none"> <li>· Candidates are repeat, experienced candidates.</li> <li>· Limited Exam content is exposed.</li> <li>· Short testing windows (approximately 3 weeks).</li> <li>· No remote repeat testing / continuous testing, though candidates can choose to retest in test centers.</li> <li>· Exam content does not reside on the candidate's computer.</li> <li>· AICPA will deploy enhanced web monitoring to monitor for item sharing on social media and websites.</li> </ul> |
|  | <p>Preventing proxy testing</p>                | <ul style="list-style-type: none"> <li>· For the RT PILOT, candidates are repeat, experienced candidates.</li> <li>· Government-issued ID required and reviewed against the NTS, the same process as in test centers.</li> <li>· Candidate photos are captured and retained at test centers and for remote testing.</li> <li>· Fingerprints are not captured with remote testing. Note that fingerprints are not currently being captured in test centers due to Covid-19 restrictions.</li> </ul>                                      |

|                        |   |  |
|------------------------|---|--|
|                        | <p>Cheating during test administration</p>  | <ul style="list-style-type: none"> <li>· Candidates are always monitored by a Prometric Proctor from check-in to completion of the Exam.</li> <li>· A Proctor may interrupt the Exam administration and require a 360° camera scan at any time.</li> <li>· A Proctor may interrupt and potentially terminate any Exam administration if the irregularity cannot be addressed and a secure administration verified.</li> <li>· The entire Exam administration is video and audio recorded for real-time and post-Exam review, as needed. The same process as in a test center.</li> <li>· Prometric uses AI and other tools to watch for anomalies.</li> <li>· An extensive check-in process is required after each allowed break.</li> <li>· Unscheduled breaks (while a testlet is in process) could cause termination of a testing event.</li> </ul> |
| <p>Board Oversight</p> | <p>Availability of secret shopping by boards and Examination Review Board (ERB)</p> | <p>Board members, executive directors, and other constituents including the ERB can work with NASBA to schedule remote testing “secret shops”.</p>   |
|                        | <p>Availability of videos of testing administrations for Board review</p>           | <p>Video and audio can be reviewed by internal Prometric resources and the results made available to NASBA, on behalf of any accountancy board. As in test centers, video and audio recording of testing events will be available for NASBA and Board review, as necessary.</p>  |

|  |                                    |   |
|--|------------------------------------|---|
|  | Consistent policies and procedures | NAP is currently reviewing all remote testing policies and procedures and NASBA's CBT Administration Committee, in consultation with the Executive Directors Committee, will review policies and procedures for fairness and workability before implementation. |
|--|------------------------------------|---|



## Attachment B

### REMOTE TESTING FREQUENTLY ASKED QUESTIONS (FAQS)

Note: The following Frequently Asked Questions (FAQs) were gathered from accountancy board representatives during remote testing webcasts, NASBA Regional and Annual Meetings, state board meetings, and via correspondence from boards and board members.

#### Candidate Preparation

**Q: Will training videos or other materials be available for RT PILOT candidates?**

A: The Prometric ProProctor User Guide will be available at:

[https://www.prometric.com/sites/default/files/2020-04/PrometricProUserGuide\\_3.1\\_1.pdf](https://www.prometric.com/sites/default/files/2020-04/PrometricProUserGuide_3.1_1.pdf) to explain the ProProctor process. Additional information for candidates can be found on the Prometric website (<https://www.prometric.com/proproctorcandidate>) and ehelpp (<https://ehelp.prometric.com/proproctor/s/>).

NAP will also develop CPA Exam program-specific information for RT PILOT candidates. Candidates will provide written consent that they have reviewed and understand these materials and instructions. If the decision is made to proceed with remote testing for emergency use, additional materials will be made available to have ready as needed.

**Q: What system requirements will be necessary?**

A: The ProProctor system minimum requirements are listed in the User Guide as follows:

- Laptop/PC Power source

- 20" to 28" HD monitor is required. 23" is ideal.

- Screen Resolution: 1920 x 1080 *in >32-bit color* Operating system (Windows 10 or higher / MacOS 10.13 or higher)

- Current version of Google Chrome web browser

- Internet connection speed of 0.5 mbps or greater

- Separate web cam with resolution of 640 x 480p or higher

- Wi-Fi connection with download speed of at least 0.5 mbps

It is important to note that the remote administration of the CPA Exam may require additional CPA Exam-specific requirements (i.e., different download or upload speeds, HD 20 – 28" monitor, external camera, etc.) All RT PILOT candidate requirements for sitting for the CPA Exam

remotely will be communicated to the RT PILOT candidates. NAP members are currently working together to define those specific requirements.

**Q: Can test takers test their systems prior to the Exam?**

A: RT PILOT candidates will be urged to verify that their hardware and systems meet the minimum system requirements before volunteering to participate in the RT PILOT. Candidates will be provided with all requirements, as well as a systems check tool, well in advance of the RT PILOT in order to ascertain their viability for remote testing. Candidates who do not meet the minimum hardware, system or environmental requirements as self-determined in advance or on the test day will not be permitted to participate in the RT PILOT.

**Q: Will there be a verification of “minimum system requirements” prior to the test session?**

A: Yes, on test day at the commencement of the RT PILOT candidate’s scheduled appointment, the candidate will run the Prometric System Readiness Check to ensure their system meets minimum requirements.

**Q: What happens if someone does not meet the minimum system requirements during the check-in process?**

A: The RT PILOT candidate will not be permitted to test remotely and will lose the appointment. Candidates’ appointments during the RT PILOT will not be rescheduled remotely for any reason. Candidates will be required to reschedule in a test center.

**Q: Is there a checklist available for how candidates’ environments should look? And can candidates perform an environment check days before the Exam so they can be fully prepared the day of the Exam?**

A: The environmental requirements are provided in the User Guide, including examples of acceptable and unacceptable environments. The Readiness Agent will require the candidate to provide a 360-degree view of their environment upon check in prior to testing to ascertain its acceptability. The Agent will work with the candidate to resolve issues to the extent possible.

**Q: If someone does not pass an environment scan and can't quickly take corrective actions, will it affect their appointment if they cannot complete the Exam that exact day?**

A: Should a RT PILOT candidate fail to meet the environmental requirements on test day, that candidate will not be permitted to test remotely and will lose the appointment. Candidates’

appointments during the RT PILOT will not be rescheduled remotely for any reason. Candidates will be required to reschedule in a test center.

**Q: What if a candidate does not have an external camera available?**

A: The candidate will not be able to participate in the RT PILOT unless they have adequate technology available.

**Q: What about candidates living in areas with limited internet access, specifically no broadband?**

A: There are minimum internet connection speeds required to use ProProctor. Such candidates could choose to volunteer for the RT PILOT by testing at their employer's office or another location with adequate internet service. Corporate computers can pose a challenge because of firewalls and added security included by the employer. Candidates are referred to Prometric's website for additional guidance regarding testing on a corporate computer.

(<https://ehelp.prometric.com/proproctor/s/article/PPL-TECH003-General-Instructions-for-Corporate-Computers>).

**Q: Will testing times be based on proctor availability?**

A: The RT Pilot candidates will be provided with a direct link to ProScheduler to schedule their remote testing appointments. Prometric has sufficient online staff and proctors to support the RT PILOT.

**Q: Can Prometric detect a weak WIFI signal at the outset that could later impact the test environment?**

The ProProctor system check will test the internet strength at the time of the check but it has no way to ascertain if it will maintain adequate strength throughout the test event. It is the candidate's responsibility to ensure adequate internet service is available.

## **Candidate Testing**

**Q: What if a candidate must take an unscheduled break?**

A: Any irregularities such as an unscheduled break will result in a Prometric Security Agent being engaged, and an incident report written. Multiple or extended breaks may result in the Exam being terminated. NAP members and the CBT Administration Committee will work together to define operational policies and procedures.

**Q: How is the risk of harm to candidate computers mitigated?**

A: Prior to a remote testing event, the RT PILOT candidate will download the ProProctor application, an installed application. The RT PILOT candidate will access the CPA Exam via the AICPA Remote Testing Driver which is a web application. No Exam content will ever exist on the RT PILOT candidate's computer.

**Q: What happens if a candidate's laptop freezes or they lose connection during testing?**

A: Similar to what occurs in a test center, the assigned proctor will attempt to resolve the issue with the candidate and allow the candidate to resume testing.

**Q: Will it be possible for a test taker to use a 2nd computer (monitor)?**

A: No, just like in a Prometric Test Center, RT PILOT candidates must use one monitor. RT PILOT candidates may also not have multiple computers, split screens, docking stations, or any unknown wiring from their computer to unknown sources. ProProctor locks down the candidate's computer for the duration of the Exam, and the Exam will only display on the candidate's primary monitor. Any secondary monitors will be disabled and black. If the Prometric Readiness Agent cannot confirm the security and environment of the RT PILOT candidate, the RT PILOT candidate will not be permitted to test remotely. If the Readiness Check is unsuccessful, the RT PILOT candidate may not test.

**Q: Does the candidate lose what they have answered if they must go through security checks after losing WiFi?**

A: No, the candidate's answers are saved as they are entered into the AICPA CPA Exam test driver.

**Q: Is the candidate allowed to use hard copy scratch paper at their desk or must they use the digital scratch pad?**

A: Subject to NAP approval in the final CPA Candidate ProProctor User Guide, RT PILOT candidates are not permitted to use scratch paper, books, or other papers. Should a Prometric Proctor see these items, the RT PILOT candidate's testing will be halted, a Prometric Security Agent engaged, and either the item will be removed, and a new security check completed, a Center Problem Report (CPR) created, or the remote testing will be terminated. Candidates will be allowed to use digital tools provided with the ProProctor system.

**Q: Can candidates ask for restroom breaks or are they built in during testing?**

A: Similar to test center testing, candidates are permitted to take breaks in between testlets when live content is not accessible. Unscheduled breaks are not permitted. If unscheduled breaks occur, administration policies will be followed and termination of the testing event is possible.

**Q: Can the candidate wear earphones or a headset?**

A: Subject to NAP approval in the final CPA Candidate ProProctor User Guide, RT PILOT candidates are not permitted to use wireless headsets, earphones, or have access to another device (phone, tablet, etc.). Should a Prometric Proctor see these items, as will be described in the ProProctor Client Practice, the RT PILOT candidate's testing will be halted, a Prometric Security Agent engaged, and either the item will be removed, and a new security check completed, a Center Problem Report (CPR) created, or the remote testing will be terminated.

**Q: Could a candidate mute their microphone undetected?**

A: The ProProctor system will not allow the microphone to be muted once the Exam is launched.

**Q: Can remote screen sharing be detected?**

A: Remote screen sharing will not be possible as the candidate's computer will be locked down by the ProProctor system.

**Q: Are VGA splitters checked for mirrored monitors?**

A: RT PILOT candidates may not have multiple computers, multiple monitors, split screens, docking stations, or any unknown wiring from their computer to unknown source. ProProctor locks down the candidate's computer for the duration of the Exam and the Exam will only display on the candidate's primary monitor. Any secondary monitors will be disabled and black. If the Prometric Readiness Agent cannot confirm the security and environment of the RT PILOT candidate, the RT PILOT candidate will not be permitted to test remotely. If the Readiness Check is unsuccessful, the RT PILOT candidate may not test.

**Q: What happens if a candidate receives an emergency phone call during their Exam that doesn't require them to terminate but must make other phone calls to deal with the situation?**

A: RT PILOT candidates are expected to provide themselves with an uninterrupted and secure testing environment for the duration of the Exam. Interruptions by children, adults, pets, phones, etc. will invoke a real-time review by the Prometric Proctor and the Prometric Security Agent and if the interruption continues or if the security of the computer and the environment cannot be verified, a CPR will be created, or the RT PILOT candidate's testing will be terminated.

**Q: How will you address environmental challenges in candidates' home settings, such as a TV on the wall, a closet in the room, windows, etc.?**

A: Prometric Readiness Agents are trained to work with candidates to suggest solutions for environmental challenges, as feasible. An example would be asking a candidate to cover a TV or bookcase with a sheet. If the environmental challenge is insurmountable, the candidate will not

be allowed to proceed with testing. During the RT PILOT, the candidate would then be required to reschedule in a Prometric Test Center and not be allowed to reschedule in the RT PILOT.

**Q: May a candidate read questions out loud to themselves?**

A: As in a Prometric Test Center, candidates are prohibited from talking aloud during testing. Should a Prometric Proctor observe this behavior, a Prometric Security Agent will engage, and a new security check completed. If necessary, a Center Problem Report will be created and the remote testing will be terminated, if the issue persists.

**Q: Is “100% live proctoring” an option?**

A: Once a candidate commences the check in process, they will be under the observation of either a Readiness Agent, a Proctor or a Security Proctor for the entire Exam process. As such, 100% live proctoring will be a requirement of the RT PILOT.

**Q: How does the readiness agent and security agent know that the candidate is who they say they are?**

A: Similar to test center testing, RT PILOT candidates must present a government issued ID during the check-in process and before the Exam session commences. After review by the Readiness Agent, the ID is available to both the Proctor and the Security Proctor for on hand review. A RT PILOT candidate’s ID is rechecked after every interruption and break. All test center and remote test agents are trained to watch for altered IDs.

**Q: How can you ensure that others cannot see the screen of the candidate taking the test?**

A: The Readiness agent is trained to ensure the testing environment is clear and free of clutter during the readiness check-in process. The Proctor will continue to monitor the environment throughout the testing event both visually and audibly. If any concern or anomaly is noted, the Security Proctor is engaged to more closely review any concerns.

**Q: How can you ensure that some type of communication from a 3rd party does not happen during testing?**

A: RT PILOT candidates are expected to provide themselves with an uninterrupted, quiet and secure testing environment for the duration of the Exam. Interruptions by children, adults, pets, phones, other technology, etc. will invoke a real-time review by the Prometric Proctor and the Prometric Security Agent and if the interruption continues or if the security of the computer and the environment cannot be verified, a CPR will be created, or the RT PILOT candidate’s testing will be terminated.

**Q: Will the proctor monitor only CPA candidates, or will this person be monitoring various exams simultaneously?**

A: As in a Prometric Test Center, Proctors monitor candidates for different examinations simultaneously, as assigned.

**Q: If a proctor sees a shadow or other evidence of the possibility of someone else being in the room, can they require another camera scan?**

A: Yes, RT PILOT candidates are always monitored by a Prometric Proctor. Should a Prometric ProProctor notice any irregularity (ex. shadows, irregular RT PILOT candidate head or eye movement, irregular testing behavior, talking aloud, etc.) a Prometric Security Agent is also engaged. Video of the testing event can be reviewed while the testing event continues.

**Q: Will room checks occur during the Exam as is proposed to happen at the beginning?**

A: Yes, a RT PILOT candidate's environment may be checked after every interruption and break. A thorough re-check-in process occurs.

**Q: Just in case the room scan missed something that could be used for cheating, will the proctor or software be monitoring the candidate's eye movements during the test?**

A: Yes, RT PILOT candidates are always monitored by a Prometric Proctor. Should a Prometric Proctor notice any irregularity (ex. shadows, irregular RT PILOT candidate head or eye movement, irregular testing behavior, talking aloud, etc.) a Prometric Security Agent is also engaged. Artificial intelligence is also used to assist in monitoring the candidate's behavior for anomalies.

**Q: Does the software track keystrokes?**

A: The RT PILOT candidate's keystrokes are not logged; however, the RT PILOT candidate's workstation is locked down and only the Exam may be accessed.

**Q: Is the system automatically detecting anomalies? Or is that done manually by the proctor?**

A: Both the proctor and the system detect anomalies. The system will detect and log anomalies.

## **Testing Technology and Security**

**Q: Will facial recognition or other AI techniques be utilized through ProProctor?**

A: Not at this time. Prometric is planning to implement facial detection in the near future as a configurable setting. NAP can decide if they want to use facial detection as part of the CPA Exam testing or not.

**Q: Is Prometric operating on its own VPN while ProProctor is being used?**

A: No

## **Proctor Process**

**Q: What if a proctor's or security agent's internet connection is lost during a testing event?**

A: If a Readiness Agent, Proctor or Security Agent lost connection during a testing event, the session would roll to another available Readiness Agent, Proctor or Security Agent.

**Q: Is there a process in place to monitor the activity of the proctor? What if s/he walks away from the computer? Does the proctor have to perform some type of "check-in" sporadically throughout their shift(s)?**

A: Proctor performance is continuously monitored. All Proctors are in constant communication with their Team Leads (TLs) through Microsoft Teams, which includes alerting their TLs when taking and returning from breaks and any issues they are facing that may affect their work performance or candidate testing.

**Q: If the proctor needs to take a break does he/she pass the monitored test takers to another proctor?**

A: Yes

**Q: When a proctor is following up/responding to chats and alerts for a specific candidate, are the other candidate tiles still in view?**

A: Yes. The proctor can maximize the view of each candidate to more closely monitor their actions, but all other monitored candidates remain in view.

**Q: Is there any oral communication between the readiness agent and the test taker or is it a one-way conversation or chat?**

A: The Readiness Agent, Proctor and Security Proctor all have the ability to communicate orally back-and-forth with the candidate. The Readiness Agent definitely communicates directly with the candidate during the check-in process. The Proctor and Security Proctor only communicate to answer candidate questions or if deemed necessary otherwise.



**Q: How many candidates are assigned to each proctor?**

A: Candidates are proctored 1:1 when being checked in by a Readiness Agent and also if a Security Proctor is called in to perform a security review. During normal testing, the candidate to proctor ratio is 8:1, which is less than in a Prometric Test Center.

**Q: Are all Proctors employees of Prometric? How many agents of each type do you plan on engaging over the first 6 - 12 months? What training will the agents receive?**

A: All agents are trained and certified by Prometric, although they are employed by a third party. Prometric is constantly monitoring capacity and adding Proctors to meet demand.

### **ProProctor Usage and Capacity**

**Q: How many professions or clients of Prometric are currently using this technology?**

A: Approximately 100 Prometric clients currently use ProProctor, but many others are assessing it for use as a result of the Covid pandemic.

**Q: What is the capacity of Prometric to handle CPA profession candidates for the RT PILOT?**

A: Prometric has added significant numbers of Readiness Agents, Proctors and Security Proctors as clients have shifted to the ProProctor system, and has confirmed it has adequate staff and system capacity to support the RT PILOT.

### **Candidate Pricing / Cost**

**Q: Will candidates be charged a higher price for remote proctoring during the pilot than they are to test in a test center?**

A: The testing fee will be the same for candidates whether they test in a test center or take part in the RT PILOT.

**Q: If the pilot is successful, do you anticipate higher Exam prices due to the cost of developing and maintaining the remote proctoring solution for emergency use?**

A: It is expected that the RT PILOT candidate cost, as well as any future remote testing, will be the same price as a Prometric test center test administration. Rather than providing a brick-and-mortar test administration, NAP will be making significant software investments and Prometric will be providing live RT PILOT candidate oversight and proctoring during the Exam's administration.

The AICPA's driver software is already web-based and implementing the modifications to support remote testing were allocated in the current 2020 AICPA software budget. Implementing the remote testing feature set also further aligns the AICPA software to a potential shift by Prometric to a cloud-based test center deployment model and away from their current server workstation hub and spoke (client server) model.

## **Legal Questions**

**Q: Are there legal questions regarding nexus or local law caused by inability to determine candidates' physical location when they test, agree to non-disclosure agreement, etc.?**

A: The informed consent signed by each candidate, as well as the state board, NASBA, Prometric and AICPA contracts address all jurisdictional, venue and choice of law issues. The candidate's physical location will be established as is legally sufficient and industry standard for any online transaction.

**Q: Would accountancy boards have any liability and/or obligations in the event of a significant data breach?**

A: Consistent with Prometric Test Center test administration, the accountancy boards are not liable nor have any obligation regarding a data breach in the test center or in a remote testing administration.

**Q: How is the remote testing location identified?**

A: Once a RT PILOT candidate has been deemed eligible to test remotely, like a candidate traveling to any Prometric Test Center, the RT PILOT candidate may test in any location they desire (as long the physical location meets Prometric's remote testing requirements). The location of the RT PILOT candidate will not be verified, though the candidate will be required to attest to the location. For the RT PILOT, only domestic candidates will be deemed eligible to test. However, if a RT PILOT candidate attempts to test with an IP address of a location that is not approved (e.g., China), the Exam software will not launch.

## **Uniform CPA Examination-Specific FAQs**

**Q: What impact will this have on the need for questions in the test bank?**

A: The use of test questions in panels for the RT PILOT will have no direct impact on the need for additional questions in the item bank.

**Q: When the Exam is presented how will Excel and the Authoritative Literature also be made available to the test taker?**

A: In the RT PILOT, RT PILOT candidates will be provided with a web-based spreadsheet like Excel and the Authoritative Literature.

## **Board of Accountancy-Specific FAQs**

**Q: Will the boards of accountancy need to change their statute or rules to allow for remote testing?**

A: Each jurisdiction should review its statute and rules, but preliminary review of many board's language indicates that most will require no law or rule change. Several boards have specific reference to Prometric Test Centers which might require minor adjustment if a decision is made to proceed with utilizing remote testing in emergency situations after the results of the RT PILOT are shared and considered.

**Q: Will boards of accountancy know if their candidates are part of the RT PILOT program?**

A: NAP will seek consent from several accountancy boards to allow their candidates to participate in the RT PILOT. As such, accountancy boards will have approved their candidates to volunteer for the RT PILOT.

**Q: Will you be able to provide evidence if needed before an accountancy board administrative hearing to prove cheating?**

A: As with cheating concerns in Prometric Test Centers, digital video recordings, Center Problem Reports (CPRs) and staff from NASBA, AICPA and Prometric will be available as needed for board of accountancy investigation purposes and hearings.

**Q: How long does Prometric retain the video/process file?**

A: As in the test centers, Prometric retains digital video files for 30 days.

**Q: How can accountancy boards be assured of security and integrity of Exam processes and reliability of Exam results?**

A: The Examination Review Board (ERB) of NASBA will include the RT PILOT as part of its 2021 annual review. It is anticipated that the ERB will develop procedures, as deemed needed, to cover the RT PILOT program and will specifically review the RT PILOT efforts, incorporating it into its annual report regarding the reliability of the Exam for board of accountancy licensing purposes.

**Q: With different content for pilot and no continuous testing can the candidates who pass the pilot be considered equal to regular candidates?**

A: In the current testing schema, candidates do not all receive the same questions as there are multiple panels representing the CPA Exam in the field at any point in time. The panels used in the RT PILOT will be equivalent to those in the test centers and will therefore absolutely be considered equally part of the Exam. Scores resulting from the RT PILOT Exams should be accepted as such. Though candidates will only be allowed to test each section once in the RT PILOT program, they will be allowed to retest in a test center, again, not resulting in any substantial difference in testing for candidates.

**Q: If the planned "window" length for the RT PILOT is going to be a relatively short period, how does that impact the ability of a candidate to retest under the continuous testing model?**

A: Since the planned testing window for the RT PILOT is three weeks or less, there will be no opportunity for participating candidates to retest remotely upon receipt of failing scores. Such candidates could, however, choose to then schedule and retest in a test center.

**Q: Will data from the RT PILOT be captured for review and analysis related to remote vs in-center testing and to identify any aberrations in results?**

A: Metrics from the RT PILOT will be reviewed as part of the assessment of the effort. Reports summarizing findings and recommendations will be shared with the boards of accountancy to allow further deliberation regarding consideration of the use of remote testing for emergency situations on a go forward basis.

## **Emergency Period**

**Q: How is the “emergency period” going to be defined?**

A: The concept and definition of an “emergency period”, i.e. when, under what circumstances, and for how long remote testing would be available to affected Candidates is being drafted by NASBA and the AICPA, and will be reviewed and approved by the NASBA CBT Administration Committee and shared in advance with the accountancy boards before any future “emergency period” testing.

## **Candidate Test Accommodations / ADA**

**Q: What is the plan for providing remote testing ADA test accommodations in the RT PILOT?**

A: NAP acknowledges the requirement that ADA test accommodations must be provided in remote testing for emergency situations and it is currently working on a plan to address all legally required ADA test accommodations through remote testing should remote testing be approved for future emergency situations.

As candidates may choose to test in Prometric Test Centers, ADA test accommodations will not be part of the initial proposed RT PILOT; therefore, no candidate requesting ADA test accommodations will be included in the initial RT PILOT.

## **Other**

**Q: Test centers are open and operating. Why is remote testing capability necessary?**

A: Remote testing capability is not intended for when Prometric test centers are fully open. Note that while Prometric test centers are largely open as of January 2021, test centers in some regions are once again operating at reduced capacity due to Covid-19 hot spots and physical distancing requirements. Compounding numbers of people contracting the virus, hospital capacity challenges, and new strains of the virus entering the equation raise serious concerns that regional and state test center closures could still be on the horizon.

Remote testing is targeted for times when test centers are largely shut down. NAP would like to have the remote testing capability tested and ready to go should a future emergency warrant its implementation. Without a successful RT PILOT, NAP will never be positioned to deploy remote testing.

**Q: What if all 55 jurisdictions do not accept RT PILOT scores as valid?**

A: We hope that by providing a detailed description of the proposed RT PILOT and addressing the numerous excellent questions posed at recent webcasts and meetings, boards believe they have adequate information to agree to accept Exam scores from the small number of candidates who volunteer to test the system by testing remotely. For all of the reasons expressed in this paper, we feel it is crucial to conduct the RT PILOT to assess the viability of providing remote testing as a contingency solution in emergency closures of Prometric Test Centers. As noted, results of the RT PILOT will be brought back to the accountancy boards for further discussion before any other actions are taken.

If several states elect to not accept scores from the RT PILOT, we will assess the impact and decide next steps. It is possible that RT PILOT volunteer candidates may be asked to sign an informed consent explaining that certain jurisdictions may not accept their scores.



National Association of State Boards of Accountancy

---

◆ 150 Fourth Avenue, North ◆ Suite 700 ◆ Nashville, TN 37219-2417 ◆ Tel 615.880-4207 ◆ Fax 615.880.4207 ◆ [www.nasba.org](http://www.nasba.org) ◆

February 9, 2021

**Re: Acceptance of Scores from Proposed Remote Testing Pilot**

Dear Accountancy Board Chairs and Executive Directors:

This letter is in follow-up and reference to the white paper entitled *Proposed Pilot of Remote Proctoring of CPA Examination: Update and FAQs for Boards of Accountancy* (White Paper) distributed via email to all board of accountancy members and executive directors on January 21, 2021 by NASBA on behalf of NASBA, AICPA and Prometric (NAP).

In the White Paper, it was noted that NASBA and AICPA leadership stand firm in their recommendation to proceed with a small-scale, short timeframe and tightly defined pilot of remote proctoring of the Uniform CPA Examination using Prometric's ProProctor tool. The details and reasoning for the pilot are outlined extensively in the White Paper. We believe it is prudent to perform this small-scale live test of CPA Examination remote proctoring before it may be needed for true emergency use.

The NAP organizations will not allow the pilot to proceed nor ultimately recommend consideration of using ProProctor for emergency use without first satisfactorily concluding that any and all pertinent risks have been appropriately mitigated. As outlined in the White Paper, results of the pilot will be shared with the accountancy boards for review and consideration. Depending on such results, further recommendations might be made for additional pilot phase(s), as needed.

The AICPA and its Psychometric Oversight Committee (POC) affirm that advisory scores attributable to candidates who would participate in the pilot should be considered uniform to those of candidates testing in a test center. The same content and skills, as outlined in the Uniform CPA Exam Blueprint, will be tested whether the Exam is administered in a Prometric Test Center or via ProProctor. NASBA and the AICPA believe the scores from the small number of candidates who volunteer to take part in the pilot should be accepted by accountancy boards as valid for licensure, as permitted by jurisdiction law and board rules.

NASBA asks that your board please let us know as soon as possible if your jurisdiction has legal authority to not accept what the AICPA has determined to be valid Uniform CPA Exam advisory scores and plans to exercise that authority. Our desire is that all boards will accept such scores solely for the pilot, so that we may maintain consistency and uniformity among jurisdictions.

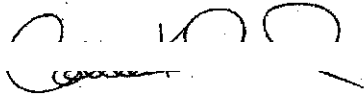
The proposed pilot is currently anticipated to be later in the second quarter of 2021. In order to appropriately plan and schedule, we would like to have your response by April 30, 2021 at the latest, but would appreciate if it could be provided sooner. Multiple jurisdictions have already proactively affirmed their willingness to accept scores of candidates from the pilot and have also agreed to allow their candidates to volunteer for the pilot, if invited.

We remain available to schedule individual meetings or attend board meetings to discuss and answer questions regarding the remote testing concept and specifically the pilot. Please contact me at [cconrad@nasba.org](mailto:cconrad@nasba.org) or (615) 880-4207, if you have any questions or would like to schedule a meeting.

\* \* \*

Thank you for your response to this letter, as warranted. NASBA, AICPA and Prometric remain committed to ongoing updates on the status of this project and ensuring your questions are addressed. We will be updating and supplementing the frequently asked questions that were included in the White Paper on a periodic basis.

Very truly yours,



Colleen K. Conrad, CPA  
Executive Vice President and COO

cc: Michael A. Decker, AICPA, VP Examinations  
Samantha Sappington, Prometric, Director, Strategic Accounts