



**SOUTH DAKOTA
BOARD OF ACCOUNTANCY**
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Agenda
South Dakota Board of Accountancy Meeting
Conference Call
9:00 a.m. (CT)
March 26, 2012

A=Action	
D=Discussion	
I=Information	Page
A-Approval of Minutes of Meeting January 23, 2012.....	2-3
A-Approval of Certificates & Firm Permits.....	4-5
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NASBA	
I-Nomination of Carlos Johnson for Vice Chair.....	27-30
Support letter by AR, FL, LA, OR	
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EXECUTIVE SESSION	
Equivalent Reviews, Complaints and Consent Agreements for Board Approval.....	Spt. Pkt.

FUTURE MEETING DATES (all times CT)
April 30, 2012 – 8:30 – Pierre, SD



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South Dakota Board of Accountancy
Minutes of Meeting-Conference Call
January 23, 2012-9:00 a.m.

The Board of Accountancy held a meeting by conference call on Monday, January 23, 2012. Chair Holly Brunick called the meeting to order at 9:08 a.m.

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

Also present were Nicole Kasin, Executive Director; Tricia Nussbaum, Secretary; and Aaron Arnold, Legal Counsel.

Chair Holly Brunick asked if there were any additions to the agenda. There were three additions:
Additions to NASBA Nomination for Carlos Johnson-HI Support Letter
Addition to NASBA Nomination for Walter Davenport- KY Support Letter
Additions to Peer Review

A motion was made by John Linn, Jr. and seconded by David Olson to approve the December 19, 2011, meeting minutes. A roll call vote was taken. The motion unanimously carried.

A motion was made by David Olson and seconded by Marty Guindon to approve the issuance of individual certificates and firm permits through January 20, 2012. A roll call vote was taken. The motion unanimously carried.

A motion was made by John Linn, Jr. and seconded by Marty Guindon to approve the financial statements through December 2011. A roll call vote was taken. The motion unanimously carried.

A motion was made by Marty Guindon and seconded by David Olson to approve the CPA Exam scores for the 31st CPA Exam window through December 2011. A roll call vote was taken. The motion unanimously carried.

Executive Director Kasin explained the report on CPE Audits. The individual that has not complied with the CPE audit was sent a Notice of Intent to Revoke on January 18, 2012. The hearing is scheduled for April 30, 2012, in Pierre.

Nicole Kasin explained in her Executive Director's Report the upcoming cosmetic changes to the Board's website. Board staff will work with Todd Kolden and DLR staff to convert the webpage. Executive Director Kasin informed the Board that James Brackens from the AICPA will be attending and presenting on Peer Review at the April Board Meeting in Pierre. John Peterson and Executive Director Kasin continue to work together with the firm data to come up various tables for possible suggestions on changes to the firm fee structure. Further discussion will be held in future meetings.

The Board briefly discussed the nomination letters of Carlos Johnson and Walter Davenport for NASBA's Vice Chair Elect.

A motion was made by David Olson and seconded by Marty Guindon to enter into executive session for the deliberative process for peer reviews and complaints. A roll call vote was taken. The motion unanimously carried.

The Board came out of executive session.

A motion was made by Marty Guindon and seconded by David Olson to accept the peer reviews and complaints discussed in executive session. A roll call vote was taken. The motion unanimously carried.

FUTURE MEETING DATES (all times CT)

March 26– 9:00 a.m. Conference Call

April 30– 8:30 a.m. Department of Legislative Audit, Pierre, SD

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

All business having come before the board was concluded and Chair Holly Brunick adjourned the meeting at 9.54 a.m.

Holly Brunick, CPA, Chair

Attest: _____
Nicole Kasin, Executive Director

John Peterson, Sec/Treasurer

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES
BOARD COPY**

Issued Through March 19, 2012

Number	Name	Date Issued	Location
3015	Shawn Michael Stumphf	1/27/12	Fargo, ND
3016	William Ronald Kallsen	1/07/12	Hinton, IA
3017	Wayne Allen Crosby	1/07/12	Brandon, SD
3018	Elliot Alexander Hitt	3/14/12	Sioux Falls, SD

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

**Issued Through
March 19, 2012**

Number	Name	Date Issued	Basis/Comments
1561	Abdo, Eick & Meyers, LLP Apple Valley, MN	02/03/12	Additional Location
1562	Matinee Accounting & Technologies, LLC Sioux Falls, SD	02/07/12	New Firm
1563	Assuance Concepts, LLC St. Petersburg, FL	02/21/12	New Firm

BA1409R1

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 01/31/2012

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	359,827.97	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			359,827.97	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			359,827.97	DR **	
BUDGET UNIT TOTAL 1031			359,827.97	DR ***	

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 01/31/2012

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPVL #, OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/ CR
COMPANY NO 6503										
COMPANY NAME PROFESSIONAL & LICENSING BOARDS										
6503	103100061802	51010100	CGEX111229	01/04/2012					2,729.76	DR
6503	103100061802	51010100	CGEX111230	01/11/2012					100.00	DR
6503	103100061802	51010100	CGEX120111	01/13/2012					2,481.60	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES										
6503	103100061802	51010200	CGEX111229	01/04/2012					5,311.36	DR *
6503	103100061802	51010200	CGEX120111	01/13/2012					736.33	DR
OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES										
6503	103100061802	51010300	CGEX111229	01/04/2012					1,405.09	DR *
OBJSUB: 5101030 BOARD & COMM MBR'S FEES										
OBJECT: 5101 EMPLOYEE SALARIES										
6503	103100061802	51020100	CGEX111229	01/04/2012					300.00	DR *
6503	103100061802	51020100	CGEX111230	01/11/2012					7,016.45	DR **
6503	103100061802	51020100	CGEX120111	01/13/2012					268.02	DR
OBJSUB: 5102010 OASI-EMPLOYER'S SHARE										
6503	103100061802	51020200	CGEX111229	01/04/2012					220.92	DR
6503	103100061802	51020200	CGEX111230	01/11/2012					496.59	DR *
6503	103100061802	51020200	CGEX120111	01/13/2012					207.97	DR
OBJSUB: 5102020 RETIREMENT-ER SHARE										
6503	103100061802	51020600	CGEX111229	01/04/2012					6.00	DR
6503	103100061802	51020600	CGEX120111	01/13/2012					189.03	DR
OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE										
6503	103100061802	51020800	CGEX111229	01/04/2012					403.00	DR *
6503	103100061802	51020800	CGEX111230	01/11/2012					766.89	DR
6503	103100061802	51020800	CGEX120111	01/13/2012					766.89	DR
OBJSUB: 5102080 WORKER'S COMPENSATION										
6503	103100061802	51020900	CGEX111229	01/04/2012					1,533.78	DR *
6503	103100061802	51020900	CGEX111230	01/11/2012					9.71	DR
6503	103100061802	51020900	CGEX120111	01/13/2012					.28	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION										
OBJECT: 5102 EMPLOYEE BENEFITS										
GROUP: 51 PERSONAL SERVICES										
6503	103100061802	52041800	DP211099	01/04/2012					8.81	DR
6503	103100061802	52041800	DP212098	02/03/2012					18.80	DR *
OBJSUB: 5204180 COMPUTER SERVICES-STATE										
6503	103100061802	52042000	PL211060	01/04/2012					3.47	DR
6503	103100061802	52042000	PL212057	01/25/2012					.10	DR
6503	103100061802	52042000	RM212004	01/25/2012					3.16	DR
OBJSUB: 5204200 UNEMPLOYMENT COMPENSATION										
OBJECT: 5102 EMPLOYEE BENEFITS										
GROUP: 51 PERSONAL SERVICES										
6503	103100061802	52041800	DP211099	01/04/2012					6.73	DR *
6503	103100061802	52041800	DP212098	02/03/2012					2,458.90	DR **
OBJSUB: 5204180 COMPUTER SERVICES-STATE										
6503	103100061802	52042000	PL211060	01/04/2012					9,475.35	DR ***
6503	103100061802	52042000	PL212057	01/25/2012					83.00	DR
6503	103100061802	52042000	RM212004	01/25/2012					60.00	DR
OBJSUB: 5204200 UNEMPLOYMENT COMPENSATION										
OBJECT: 5102 EMPLOYEE BENEFITS										
GROUP: 51 PERSONAL SERVICES										
6503	103100061802	52041800	DP211099	01/04/2012					143.00	DR *
6503	103100061802	52041800	DP212098	02/03/2012					206.26	DR
OBJSUB: 5204180 COMPUTER SERVICES-STATE										
6503	103100061802	52042000	PL211060	01/04/2012					174.53	DR
6503	103100061802	52042000	PL212057	01/25/2012					50.05	DR
6503	103100061802	52042000	RM212004	01/25/2012						

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 01/31/2012

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPVL #, OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/ CR
		OBJSUB: 5204200	CENTRAL SERVICES							
6503	103100061802	52042200	INV896075	01/06/2012	01982538	MARCOINC	12201534		430.84	DR *
6503	103100061802	52042200	INV919367	01/25/2012	01984556	MARCOINC	12201534		3.36	DR
									2.61	DR
6503	103100061802	52042300	EQUIPMENT SERV & MAINT	01/27/2012	99816519	SUNSETOFFI	12043890		5.97	DR *
			12SC100008						119.86	DR
6503	103100061802	52044600	JANITORIAL & MAINT SERV	01/06/2012	01982538	MARCOINC	12201534		119.86	DR *
6503	103100061802	52044600	INV896075	01/25/2012	01984556	MARCOINC	12201534		93.60	DR
			INV919367						93.60	DR
6503	103100061802	52044900	EQUIPMENT RENTAL	01/25/2012	01984177	MCGINNISRO	12074040		187.20	DR *
			ACCOUNTRENT2011						1,269.45	DR
6503	103100061802	52045300	RENTS-PRIVATE OWNED PROP.	01/04/2012					1,269.45	DR *
			TL211161						81.22	DR
6503	103100061802	52045300	111109001 DEC 11	01/25/2012	99814884	MIDCONTINE	12023782		100.00	DR
6503	103100061802	52045300	111109001 NOV 11	01/04/2012	99808000	MIDCONTINE	12023782		95.00	DR
6503	103100061802	52045400	TELECOMMUNICATIONS SRVCS	02/03/2012	01985690	XCELENERGY	12023853		276.22	DR *
			5159417006 0112	01/11/2012	01982621	XCELENERGY	12023853		70.38	DR
			5159417006 1211						62.53	DR
6503	103100061802	52045600	ELECTRICITY	02/01/2012	99818161	ECOWATER	12035896		132.91	DR *
			95211	01/06/2012	99809011	ECOWATER	12035896		22.35	DR
			95332						22.35	DR
6503	103100061802	52047400	WATER	01/13/2012	141607				44.70	DR *
			C1102A-058						31.00	DR
6503	103100061802	52049600	BANK FEES AND CHARGES	01/18/2012	99812697	NATLASSNST	12005047		31.00	DR *
			13404614						2,798.10	DR
6503	103100061802	52050280	OTHER CONTRACTUAL SERVICE	01/13/2012	01982938	BROWNSAENG	12028533		2,798.10	DR *
			CONTRACTUAL SERVICES						5,439.25	DR **
			1575719-0						15.00	DR
6503	103100061802	52053200	OFFICE SUPPLIES	01/11/2012	99809689	BUSINESSPR	12003048		15.00	DR *
			35292	02/03/2012	99819053	BUSINESSPR	12003048		17.25	DR
			35409						20.70	DR
6503	103100061802	5228000	PRINTING-COMMERCIAL	01/04/2012					37.95	DR *
			SUPPLIES & MATERIALS						52.95	DR **
			T102-070						454.69	DR
6503	103100061802	5228000	OPER TRANS OUT -NON BUDGT						454.69	DR *
			NONOP EXP/NONBCTD OF TR						454.69	DR **
			OPERATING EXPENSES						5,946.89	DR ***
									15,422.24	DR ****

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STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 01/31/2012

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPVL #, OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/ CR
									15,422.24	DR *****
									15,422.24	DR *****

CNTR: 103100061802
B. UNIT: 1031

South Dakota Board of Accountancy
Balance Sheet
As of January 31, 2012

	Jan 31, 12
ASSETS	
Current Assets	
Checking/Savings	
1130000 · Local Checking - US Bank	1,314.88
1140000 · Pool Cash State of SD	359,827.97
Total Checking/Savings	361,142.85
Other Current Assets	
1131000 · Cash-Security Lending Collatera	14,957.90
1213000 · Investment Income Receivable	1,806.99
Total Other Current Assets	16,764.89
Total Current Assets	377,907.74
Fixed Assets	
1670000 · Computer Software	
Original Cost	140,063.23
1770000 · Depreciation	-99,828.51
Total 1670000 · Computer Software	40,234.72
Total Fixed Assets	40,234.72
TOTAL ASSETS	418,142.46
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	9,195.83
Total Accounts Payable	9,195.83
Other Current Liabilities	
2810000 · Amounts Held for Others	22,373.94
Total Other Current Liabilities	22,373.94
Total Current Liabilities	31,569.77
Long Term Liabilities	
2960000 · Compensated Absences Payable	12,338.53
Total Long Term Liabilities	12,338.53
Total Liabilities	43,908.30
Equity	
3220000 · Unrestricted Net Assets	216,124.02
3300100 · Invested In Capital Assets	40,234.72
3900 · Retained Earnings	30,235.30
Net Income	87,640.12
Total Equity	374,234.16
TOTAL LIABILITIES & EQUITY	418,142.46

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July 2011 through January 2012

	Jul '11 - Jan 12	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,450.00	3,000.00	-1,550.00	48.3%
4293551 · Certificate Renewals-Active	54,140.00	49,000.00	5,140.00	110.5%
4293552 · Certificate Renewals-Inactive	20,350.00	19,500.00	850.00	104.4%
4293553 · Certificate Renewals-Retired	670.00	700.00	-30.00	95.7%
4293554 · Initial Firm Permits	1,000.00	1,250.00	-250.00	80.0%
4293555 · Firm Permit Renewals	19,700.00	18,350.00	1,350.00	107.4%
4293557 · Initial Audit				
5208011 · REFUNDS	-30.00			
4293557 · Initial Audit - Other	630.00	600.00	30.00	105.0%
Total 4293557 · Initial Audit	600.00	600.00	0.00	100.0%
4293558 · Re-Exam Audit	1,500.00	1,890.00	-390.00	79.4%
4293560 · Late Fees-Initial Certificate	50.00			
4293561 · Late Fees-Certificate Renewals	2,850.00	4,000.00	-1,150.00	71.3%
4293563 · Late Fees-Firm Permit Renewals	550.00	800.00	-250.00	68.8%
4293564 · Late Fees-Peer Review	800.00	1,100.00	-300.00	72.7%
4293566 · Firm Permit Individual	71,630.00	64,000.00	7,630.00	111.9%
4293567 · Peer Review Admin Fee	1,275.00	5,650.00	-4,375.00	22.6%
4293568 · Firm Permit Name Change	320.00	100.00	220.00	320.0%
4293569 · Initial FAR	450.00	990.00	-540.00	45.5%
4293570 · Initial REG	420.00	530.00	-110.00	79.2%
4293571 · Initial BEC	450.00	780.00	-330.00	57.7%
4293572 · Re-Exam FAR	1,020.00	1,710.00	-690.00	59.6%
4293573 · Re-Exam REG	1,320.00	1,800.00	-480.00	73.3%
4293574 · Re-Exam BEC	1,350.00	1,920.00	-570.00	70.3%
4491000 · Interest and Dividend Revenue	11,505.78	15,000.00	-3,494.22	76.7%
4896021 · Legal Recovery Cost	2,130.00	1,000.00	1,130.00	213.0%
Total Income	195,530.78	193,670.00	1,860.78	101.0%
Gross Profit	195,530.78	193,670.00	1,860.78	101.0%
Expense				
5101010 · F-T Emp Sal & Wages	34,253.60	66,239.00	-31,985.40	51.7%
5101020 · P-T/Temp Emp Sal & Wages	9,296.37	19,380.00	-10,083.63	48.0%
5101030 · Board & Comm Mbrs Fees	2,100.00	4,020.00	-1,920.00	52.2%
5102010 · OASI-Employer's Share	3,242.02	6,549.00	-3,306.98	49.5%
5102020 · Retirement-ER Share	2,613.04	5,147.00	-2,533.96	50.8%
5102060 · Health /Life Ins.-ER Share	9,621.02	17,869.00	-8,247.98	53.8%
5102080 · Worker's Compensation	121.94	133.00	-11.06	91.7%
5102090 · Unemployment Insurance	43.59	55.00	-11.41	79.3%
5203010 · Auto-State Owned	135.43	1,000.00	-864.57	13.5%
5203020 · Auto-Private-Ownes Low Mileage	452.00	300.00	152.00	150.7%
5203030 · In State-Auto- Priv. High Miles	893.92	1,700.00	-806.08	52.6%
5203100 · In State-Lodging	807.74	1,000.00	-192.26	80.8%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203140 · InState-Tax Meals Not Overnigt	18.00	100.00	-82.00	18.0%
5203150 · InState-Non-Tax Meals OverNight	260.00	500.00	-240.00	52.0%
5203230 · OS-Auto Private High Mileage	0.00	100.00	-100.00	0.0%
5203260 · OS-Air Commercial Carrier	1,343.20	6,700.00	-5,356.80	20.0%
5203280 · OS-Other Public Carrier	149.35	500.00	-350.65	29.9%
5203300 · OS-Lodging	2,709.59	7,800.00	-5,090.41	34.7%
5203320 · OS-Incidentals to Travel	164.01	350.00	-185.99	46.9%
5203350 · OS-Non-Taxable Meals Overnight	342.00	1,000.00	-658.00	34.2%
5204010 · Subscriptions	207.50	1,500.00	-1,292.50	13.8%
5204020 · Dues and Membership Fees	3,200.00	3,900.00	-700.00	82.1%
5204030 · Legal Document Fees	0.00	500.00	-500.00	0.0%
5204160 · Workshop Registration Fees	2,409.00	5,400.00	-2,991.00	44.6%
5204180 · Computer Services-State	417.00	600.00	-183.00	69.5%
5204181 · Computer Development Serv-State	1,418.20	10,400.00	-8,981.80	13.6%
5204200 · Central Services	3,579.13	7,000.00	-3,420.87	51.1%
5204220 · Equipment Service & Maintenance	40.70	300.00	-259.30	13.6%
5204230 · Janitorial/Maintenance Services	839.02	1,560.00	-720.98	53.8%
5204340 · Computer Software Maintenance	365.80	1,000.00	-634.20	36.6%
5204360 · Advertising-Newspapers	0.00	2,100.00	-2,100.00	0.0%
5204440 · Newsletter Publishing	0.00	1,100.00	-1,100.00	0.0%

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July 2011 through January 2012

	Jul '11 - Jan 12	Budget	\$ Over Budget	% of Budget
5204460 · Equipment Rental	1,849.20	4,500.00	-2,650.80	41.1%
5204480 · Microfilm and Photography	502.66	700.00	-197.34	71.8%
5204490 · Rents Privately Owned Property	8,886.15	15,531.00	-6,644.85	57.2%
5204530 · Telecommunications Services	1,305.47	2,500.00	-1,194.53	52.2%
5204540 · Electricity	422.68	865.00	-442.32	48.9%
5204560 · Water	111.75	240.00	-128.25	46.6%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204740 · Bank Fees and Charges	2,661.65	2,700.00	-38.35	98.6%
5205020 · Office Supplies	289.89	1,700.00	-1,410.11	17.1%
5205310 · Printing State	0.00	500.00	-500.00	0.0%
5205320 · Printing/Duplicating/Binding Co	115.35	1,000.00	-884.65	11.5%
5205330 · Supplemental Publications	350.00	700.00	-350.00	50.0%
5205340 · Microfilm Supplies/Materials	0.00	300.00	-300.00	0.0%
5205350 · Postage	5.85	3,100.00	-3,094.15	0.2%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207900 · Computer Hardware	0.00	4,800.00	-4,800.00	0.0%
5207950 · System Development	0.00	500.00	-500.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	500.00	-500.00	0.0%
5228000 · Operating Transfers Out-NonBudg	3,305.82	7,400.00	-4,094.18	44.7%
5228030 · Depreciation Expense	7,041.02	12,070.40	-5,029.38	58.3%
Total Expense	107,890.66	237,818.40	-129,927.74	45.4%
Net Ordinary Income	87,640.12	-44,148.40	131,788.52	-198.5%
Net Income	87,640.12	-44,148.40	131,788.52	-198.5%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
January 2012

	Jan 12	Jan 11	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 Initial Individual Certificate	150.00	300.00	-150.00	-50.0%
4293551 Certificate Renewals-Active	100.00	0.00	100.00	100.0%
4293552 Certificate Renewals-Inactive	50.00	0.00	50.00	100.0%
4293554 Initial Firm Permits	150.00	0.00	150.00	100.0%
4293555 Firm Permit Renewals	0.00	50.00	-50.00	-100.0%
4293557 Initial Audit	90.00	150.00	-60.00	-40.0%
4293558 Re-Exam Audit	120.00	210.00	-90.00	-42.9%
4293561 Late Fees-Certificate Renewals	100.00	0.00	100.00	100.0%
4293564 Late Fees-Peer Review	200.00	0.00	200.00	100.0%
4293566 Firm Permit Individual	1,040.00	390.00	650.00	166.7%
4293567 Peer Review Admin Fee	525.00	525.00	0.00	0.0%
4293568 Firm Permit Name Change	215.00	0.00	215.00	100.0%
4293569 Initial FAR	90.00	180.00	-90.00	-50.0%
4293570 Initial REG	60.00	150.00	-90.00	-60.0%
4293571 Initial BEC	30.00	210.00	-180.00	-85.7%
4293572 Re-Exam FAR	150.00	90.00	60.00	66.7%
4293573 Re-Exam REG	270.00	300.00	-30.00	-10.0%
4293574 Re-Exam BEC	120.00	210.00	-90.00	-42.9%
4896021 Legal Recovery Cost	500.00	0.00	500.00	100.0%
Total Income	3,960.00	2,765.00	1,195.00	43.2%
Gross Profit	3,960.00	2,765.00	1,195.00	43.2%
Expense				
5101010 F-T Emp Sal & Wages	5,311.36	5,459.52	-148.16	-2.7%
5101020 P-T/Temp Emp Sal & Wages	1,405.09	1,487.48	-82.39	-5.5%
5101030 Board & Comm Mbrs Fees	300.00	0.00	300.00	100.0%
5102010 OASI-Employer's Share	496.59	500.05	-3.46	-0.7%
5102020 Retirement-ER Share	403.00	416.83	-13.83	-3.3%
5102060 Health/Life Ins.-ER Share	1,533.78	1,533.78	0.00	0.0%
5102080 Worker's Compensation	18.80	11.81	6.99	59.2%
5102090 Unemployment Insurance	6.73	5.90	0.83	14.1%
5204160 Workshop Registration Fees	0.00	1,390.00	-1,390.00	-100.0%
5204180 Computer Services-State	60.00	57.00	3.00	5.3%
5204181 Computer Development Serv-State	0.00	288.00	-288.00	-100.0%
5204200 Central Services	224.58	283.80	-59.22	-20.9%
5204220 Equipment Service & Maintenance	2.61	2.55	0.06	2.4%
5204230 Janitorial/Maintenance Services	119.86	119.86	0.00	0.0%
5204340 Computer Software Maintenance	100.80	0.00	100.80	100.0%
5204460 Equipment Rental	93.60	93.60	0.00	0.0%
5204490 Rents Privately Owned Property	1,269.45	1,269.45	0.00	0.0%
5204530 Telecommunications Services	196.21	252.69	-56.48	-22.4%
5204540 Electricity	70.38	65.18	5.20	8.0%
5204560 Water	22.35	23.35	-1.00	-4.3%
5204740 Bank Fees and Charges	31.00	31.00	0.00	0.0%
5205020 Office Supplies	0.00	94.63	-94.63	-100.0%
5205320 Printing/Duplicating/Binding Co	20.70	20.70	0.00	0.0%
5205350 Postage	0.00	8.07	-8.07	-100.0%
5228000 Operating Transfers Out-NonBudg	454.69	534.18	-79.49	-14.9%
5228030 Depreciation Expense	1,005.86	1,005.86	0.00	0.0%
Total Expense	13,147.44	14,955.29	-1,807.85	-12.1%
Net Ordinary Income	-9,187.44	-12,190.29	3,002.85	24.6%
Net Income	-9,187.44	-12,190.29	3,002.85	24.6%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
 July 2011 through January 2012

	Jul '11 - Jan 12	Jul '10 - Jan 11	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,450.00	1,575.00	-125.00	-7.9%
4293551 · Certificate Renewals-Active	54,140.00	54,850.00	-710.00	-1.3%
4293552 · Certificate Renewals-Inactive	20,350.00	20,100.00	250.00	1.2%
4293553 · Certificate Renewals-Retired	670.00	650.00	20.00	3.1%
4293554 · Initial Firm Permits	1,000.00	800.00	200.00	25.0%
4293555 · Firm Permit Renewals	19,700.00	19,950.00	-250.00	-1.3%
4293557 · Initial Audit	600.00	510.00	90.00	17.7%
4293558 · Re-Exam Audit	1,500.00	1,620.00	-120.00	-7.4%
4293560 · Late Fees-Initial Certificate	50.00	0.00	50.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,850.00	5,950.00	-3,100.00	-52.1%
4293563 · Late Fees-Firm Permit Renewals	550.00	1,100.00	-550.00	-50.0%
4293564 · Late Fees-Peer Review	800.00	450.00	350.00	77.8%
4293566 · Firm Permit Individual	71,630.00	69,900.00	1,730.00	2.5%
4293567 · Peer Review Admin Fee	1,275.00	1,350.00	-75.00	-5.6%
4293568 · Firm Permit Name Change	320.00	125.00	195.00	156.0%
4293569 · Initial FAR	450.00	870.00	-420.00	-48.3%
4293570 · Initial REG	420.00	360.00	60.00	16.7%
4293571 · Initial BEC	450.00	810.00	-360.00	-44.4%
4293572 · Re-Exam FAR	1,020.00	960.00	60.00	6.3%
4293573 · Re-Exam REG	1,320.00	1,260.00	60.00	4.8%
4293574 · Re-Exam BEC	1,350.00	1,470.00	-120.00	-8.2%
4491000 · Interest and Dividend Revenue	11,505.78	16,547.72	-5,041.94	-30.5%
4896021 · Legal Recovery Cost	2,130.00	0.00	2,130.00	100.0%
Total Income	195,530.78	201,207.72	-5,676.94	-2.8%
Gross Profit	195,530.78	201,207.72	-5,676.94	-2.8%
Expense				
5101010 · F-T Emp Sal & Wages	34,253.60	34,444.42	-190.82	-0.6%
5101020 · P-T/Temp Emp Sal & Wages	9,296.37	9,510.56	-214.19	-2.3%
5101030 · Board & Comm Mbrs Fees	2,100.00	2,178.00	-78.00	-3.6%
5102010 · OASI-Employer's Share	3,242.02	3,343.20	-101.18	-3.0%
5102020 · Retirement-ER Share	2,613.04	2,637.33	-24.29	-0.9%
5102060 · Health /Life Ins.-ER Share	9,621.02	9,624.47	-3.45	0.0%
5102080 · Worker's Compensation	121.94	74.73	47.21	63.2%
5102090 · Unemployment Insurance	43.59	37.34	6.25	16.7%
5203010 · Auto--State Owned	135.43	97.68	37.75	38.7%
5203020 · Auto-Private-Ownes Low Mileage	452.00	294.20	157.80	53.6%
5203030 · In State-Auto- Priv. High Miles	893.92	398.12	495.80	124.5%
5203100 · In State-Lodging	807.74	93.00	714.74	768.5%
5203140 · InState-Tax Meals Not Overnigt	18.00	27.00	-9.00	-33.3%
5203150 · InState-Non-Tax Meals OverNight	260.00	137.00	123.00	89.8%
5203260 · OS-Air Commercial Carrier	1,343.20	2,741.10	-1,397.90	-51.0%
5203280 · OS-Other Public Carrier	149.35	104.00	45.35	43.6%
5203300 · OS-Lodging	2,709.59	4,280.50	-1,570.91	-36.7%
5203320 · OS-Incidentals to Travel	164.01	141.00	23.01	16.3%
5203350 · OS-Non-Taxable Meals Overnight	342.00	592.00	-250.00	-42.2%
5204010 · Subscriptions	207.50	424.25	-216.75	-51.1%
5204020 · Dues and Membership Fees	3,200.00	3,350.00	-150.00	-4.5%
5204040 · Consultant Fees-Accounting	0.00	6,200.00	-6,200.00	-100.0%
5204160 · Workshop Registration Fees	2,409.00	3,855.00	-1,446.00	-37.5%
5204180 · Computer Services-State	417.00	399.00	18.00	4.5%
5204181 · Computer Development Serv-State	1,418.20	3,384.00	-1,965.80	-58.1%
5204200 · Central Services	3,579.13	3,695.17	-116.04	-3.1%
5204220 · Equipment Service & Maintenance	40.70	44.53	-3.83	-8.6%
5204230 · Janitorial/Maintenance Services	839.02	839.02	0.00	0.0%
5204340 · Computer Software Maintenance	365.80	897.50	-531.70	-59.2%
5204440 · Newsletter Publishing	0.00	486.89	-486.89	-100.0%
5204460 · Equipment Rental	1,849.20	2,446.20	-597.00	-24.4%
5204480 · Microfilm and Photography	502.66	0.00	502.66	100.0%
5204490 · Rents Privately Owned Property	8,886.15	8,886.15	0.00	0.0%
5204530 · Telecommunications Services	1,305.47	1,315.56	-10.09	-0.8%
5204540 · Electricity	422.68	454.50	-31.82	-7.0%
5204560 · Water	111.75	70.05	41.70	59.5%
5204740 · Bank Fees and Charges	2,661.65	2,155.59	506.06	23.5%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
July 2011 through January 2012

	<u>Jul '11 - Jan 12</u>	<u>Jul '10 - Jan 11</u>	<u>\$ Change</u>	<u>% Change</u>
5205020 · Office Supplies	289.89	455.12	-165.23	-36.3%
5205320 · Printing/Duplicating/Binding Co	115.35	384.72	-269.37	-70.0%
5205330 · Supplemental Publications	350.00	318.75	31.25	9.8%
5205350 · Postage	5.85	1,532.35	-1,526.50	-99.6%
5207900 · Computer Hardware	0.00	5,197.22	-5,197.22	-100.0%
5228000 · Operating Transfers Out-NonBudg	3,305.82	3,251.26	54.56	1.7%
5228030 · Depreciation Expense	7,041.02	7,041.02	0.00	0.0%
Total Expense	<u>107,890.66</u>	<u>127,839.50</u>	<u>-19,948.84</u>	<u>-15.6%</u>
Net Ordinary Income	<u>87,640.12</u>	<u>73,368.22</u>	<u>14,271.90</u>	<u>19.5%</u>
Net Income	<u>87,640.12</u>	<u>73,368.22</u>	<u>14,271.90</u>	<u>19.5%</u>

BA1409R1

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 02/29/2012

PAGE

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	340,949.70	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			340,949.70	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			340,949.70	DR **	
BUDGET UNIT TOTAL 1031			340,949.70	DR ***	

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPVL #, OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/ CR
COMPANY NO 6503										
COMPANY NAME PROFESSIONAL & LICENSING BOARDS										
6503	103100061802	51010100	CGEX120126	02/01/2012					2,729.76	DR
6503	103100061802	51010100	CGEX120213	02/17/2012					2,977.92	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES										
6503	103100061802	51010200	CGEX120126	02/01/2012					5,707.68	DR *
6503	103100061802	51010200	CGEX120213	02/17/2012					739.00	DR
OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES										
6503	103100061802	51010300	CGEX120126	02/01/2012					790.35	DR
OBJSUB: 5101030 BOARD & COMM MERS FEES										
OBJECT: 5101 EMPLOYEE SALARIES										
6503	103100061802	51020100	CGEX120126	02/01/2012					1,529.35	DR *
6503	103100061802	51020100	CGEX120213	02/17/2012					240.00	DR
OBJSUB: 5102010 OASI-EMPLOYER'S SHARE										
6503	103100061802	51020200	CGEX120126	02/01/2012					240.00	DR *
6503	103100061802	51020200	CGEX120213	02/17/2012					7,477.03	DR **
OBJSUB: 5102020 RETIREMENT-ER SHARE										
6503	103100061802	51020600	CGEX120126	02/01/2012					263.65	DR
6503	103100061802	51020600	CGEX120213	02/17/2012					268.19	DR
OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE										
6503	103100061802	51020800	CGEX120126	02/01/2012					531.84	DR *
6503	103100061802	51020800	CGEX120213	02/17/2012					208.13	DR
OBJSUB: 5102080 WORKER'S COMPENSATION										
6503	103100061802	51020900	CGEX120126	02/01/2012					434.22	DR *
6503	103100061802	51020900	CGEX120213	02/17/2012					766.89	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION										
6503	103100061802	52033000	CGEX120228	02/29/2012	058775				1,533.78	DR *
OBJECT: 5102 EMPLOYEE BENEFITS										
GROUP: 51 PERSONAL SERVICES										
6503	103100061802	52041600	1052815-40345279	02/17/2012	99824301	NATLASSNST	12005047		9.72	DR
OBJSUB: 5204160 LODGING/OUT-OF-STATE TRAVEL										
6503	103100061802	52042000	WORKSHOP REGISTRATION FEE	02/24/2012					10.55	DR
OBJSUB: 5204200 CENTRAL SERVICES										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		20.27	DR *
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		3.47	DR
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		3.77	DR
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		7.24	DR *
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		2,527.35	DR **
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		10,004.38	DR ***
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		232.33	DR *
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		232.33	DR **
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		1,390.00	DR *
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		1,390.00	DR *
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		843.80	DR *
OBJSUB: 52042300 SUNSET OFFICIALS										
6503	103100061802	52042300	12SC100008 FEB12	02/29/2012	99827478	SUNSETOFFI	12043890		119.86	DR *
OBJSUB: 52042300 SUNSET OFFICIALS										

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 02/29/2012

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPL #, OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/ CR
		OBJSUB: 5204230	JANITORIAL & MAINT SERV							
6503	103100061802	52043400	28879	02/08/2012	99821438	ELBOCOMP	12124520		119.86	DR *
6503	103100061802	52043400	28926	02/17/2012	99824982	ELBOCOMP	12124520		100.80	DR
6503	103100061802	52043400	29015	02/24/2012	99826735	ELBOCOMP	12124520		52.50	DR
		OBJSUB: 5204340	COMPUTER SOFTWARE MAINT							
6503	103100061802	52044900	ACCOUNTRENT2011	02/22/2012	01987573	MCGINNISRO	12074040		393.75	DR
		OBJSUB: 5204490	RENTS-PRIVATE OWNED PROP.							
6503	103100061802	52045300	TL212160	02/03/2012					547.05	DR *
		OBJSUB: 5204530	TELECOMMUNICATIONS SRVCS							
6503	103100061802	52047400	CI102A-064	02/08/2012	143348				1,269.45	DR *
		OBJSUB: 5204740	BANK FEES AND CHARGES							
6503	103100061802	52049600	13410295	02/15/2012	99822782	NATLASSNST	12005047		97.69	DR *
		OBJSUB: 5204960	OTHER CONTRACTUAL SERVICE							
6503	103100061802	52053200	CONTRACTUAL SERVICES	02/17/2012	99824287	BUSINESSPR	12003048		31.00	DR
		OBJSUB: 5205320	PRINTING-COMMERCIAL							
6503	103100061802	5228000	SUPPLIES & MATERIALS	02/08/2012					8,787.70	DR *
		OBJSUB: 5228000	OPER TRANS OUT -NON BUDGT							
6503	103100061802	5228000	NONOP EXP/NONBGTD OP TR						13,086.55	DR **
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						48.22	DR
		OBJSUB: 5228000	OPER TRANS OUT -NON BUDGT							
6503	103100061802	5228000	NONOP EXP/NONBGTD OP TR						48.22	DR **
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						437.76	DR
		OBJSUB: 5228000	OPER TRANS OUT -NON BUDGT							
6503	103100061802	5228000	NONOP EXP/NONBGTD OP TR						437.76	DR *
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						13,804.86	DR **
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
		OBJSUB: 5228	OPERATING EXPENSES							
6503	103100061802	5228000	TL02-083						23,809.24	DR ****
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South Dakota Board of Accountancy
Balance Sheet
As of February 29, 2012

	Feb 29, 12
ASSETS	
Current Assets	
Checking/Savings	
1130000 · Local Checking - US Bank	384.53
1140000 · Pool Cash State of SD	340,949.70
Total Checking/Savings	341,334.23
Other Current Assets	
1131000 · Cash-Security Lending Collatera	14,957.90
1213000 · Investment Income Receivable	1,806.99
Total Other Current Assets	16,764.89
Total Current Assets	358,099.12
Fixed Assets	
1670000 · Computer Software	
Original Cost	140,063.23
1770000 · Depreciation	-100,834.37
Total 1670000 · Computer Software	39,228.86
Total Fixed Assets	39,228.86
TOTAL ASSETS	397,327.98
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	8,358.43
Total Accounts Payable	8,358.43
Other Current Liabilities	
2810000 · Amounts Held for Others	18,947.09
Total Other Current Liabilities	18,947.09
Total Current Liabilities	27,305.52
Long Term Liabilities	
2960000 · Compensated Absences Payable	12,338.53
Total Long Term Liabilities	12,338.53
Total Liabilities	39,644.05
Equity	
3220000 · Unrestricted Net Assets	217,129.88
3300100 · Invested In Capital Assets	39,228.86
3900 · Retained Earnings	30,235.30
Net Income	71,089.89
Total Equity	357,683.93
TOTAL LIABILITIES & EQUITY	397,327.98

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July 2011 through February 2012

	Jul '11 - Feb 12	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,525.00	3,000.00	-1,475.00	50.8%
4293551 · Certificate Renewals-Active	54,190.00	49,000.00	5,190.00	110.6%
4293552 · Certificate Renewals-Inactive	20,350.00	19,500.00	850.00	104.4%
4293553 · Certificate Renewals-Retired	670.00	700.00	-30.00	95.7%
4293554 · Initial Firm Permits	1,100.00	1,250.00	-150.00	88.0%
4293555 · Firm Permit Renewals	19,700.00	18,350.00	1,350.00	107.4%
4293557 · Initial Audit				
5208011 · REFUNDS	-30.00			
4293557 · Initial Audit - Other	630.00	600.00	30.00	105.0%
Total 4293557 · Initial Audit	600.00	600.00	0.00	100.0%
4293558 · Re-Exam Audit	1,650.00	1,890.00	-240.00	87.3%
4293560 · Late Fees-Initial Certificate	100.00			
4293561 · Late Fees-Certificate Renewals	2,850.00	4,000.00	-1,150.00	71.3%
4293563 · Late Fees-Firm Permit Renewals	600.00	800.00	-200.00	75.0%
4293564 · Late Fees-Peer Review	800.00	1,100.00	-300.00	72.7%
4293566 · Firm Permit Individual	71,760.00	64,000.00	7,760.00	112.1%
4293567 · Peer Review Admin Fee	1,275.00	5,650.00	-4,375.00	22.6%
4293568 · Firm Permit Name Change	320.00	100.00	220.00	320.0%
4293569 · Initial FAR	480.00	990.00	-510.00	48.5%
4293570 · Initial REG	420.00	530.00	-110.00	79.2%
4293571 · Initial BEC	450.00	780.00	-330.00	57.7%
4293572 · Re-Exam FAR	1,080.00	1,710.00	-630.00	63.2%
4293573 · Re-Exam REG	1,500.00	1,800.00	-300.00	83.3%
4293574 · Re-Exam BEC	1,440.00	1,920.00	-480.00	75.0%
4491000 · Interest and Dividend Revenue	11,505.78	15,000.00	-3,494.22	76.7%
4896021 · Legal Recovery Cost	2,130.00	1,000.00	1,130.00	213.0%
Total Income	196,495.78	193,670.00	2,825.78	101.5%
Gross Profit	196,495.78	193,670.00	2,825.78	101.5%
Expense				
5101010 · F-T Emp Sal & Wages	39,961.28	66,239.00	-26,277.72	60.3%
5101020 · P-T/Temp Emp Sal & Wages	10,086.72	19,380.00	-9,293.28	52.0%
5101030 · Board & Comm Mbrs Fees	2,340.00	4,020.00	-1,680.00	58.2%
5102010 · OASI-Employer's Share	3,773.86	6,549.00	-2,775.14	57.6%
5102020 · Retirement-ER Share	3,786.26	5,147.00	-1,360.74	73.6%
5102060 · Health /Life Ins.-ER Share	11,154.80	17,869.00	-6,714.20	62.4%
5102080 · Worker's Compensation	142.21	133.00	9.21	106.9%
5102090 · Unemployment Insurance	50.83	55.00	-4.17	92.4%
5203010 · Auto--State Owned	135.43	1,000.00	-864.57	13.5%
5203020 · Auto-Private-Ownes Low Mileage	452.00	300.00	152.00	150.7%
5203030 · In State-Auto- Priv. High Miles	893.92	1,700.00	-806.08	52.6%
5203100 · In State-Lodging	807.74	1,000.00	-192.26	80.8%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203140 · InState-Tax Meals Not OverNigt	18.00	100.00	-82.00	18.0%
5203150 · InState-Non-Tax Meals OverNigt	260.00	500.00	-240.00	52.0%
5203230 · OS-Auto Private High Mileage	0.00	100.00	-100.00	0.0%
5203260 · OS-Air Commercial Carrier	1,343.20	6,700.00	-5,356.80	20.0%
5203280 · OS-Other Public Carrier	149.35	500.00	-350.65	29.9%
5203300 · OS-Lodging	2,941.92	7,800.00	-4,858.08	37.7%
5203320 · OS-Incidentals to Travel	164.01	350.00	-185.99	46.9%
5203350 · OS-Non-Taxable Meals Overnight	342.00	1,000.00	-658.00	34.2%
5204010 · Subscriptions	207.50	1,500.00	-1,292.50	13.8%
5204020 · Dues and Membership Fees	3,350.00	3,900.00	-550.00	85.9%
5204030 · Legal Document Fees	0.00	500.00	-500.00	0.0%
5204160 · Workshop Registration Fees	3,799.00	5,400.00	-1,601.00	70.4%
5204180 · Computer Services-State	477.00	600.00	-123.00	79.5%
5204181 · Computer Development Serv-State	1,418.20	10,400.00	-8,981.80	13.6%
5204200 · Central Services	4,595.23	7,000.00	-2,404.77	65.6%
5204220 · Equipment Service & Maintenance	44.52	300.00	-255.48	14.8%
5204230 · Janitorial/Maintenance Services	958.88	1,560.00	-601.12	61.5%
5204340 · Computer Software Maintenance	812.05	1,000.00	-187.95	81.2%
5204360 · Advertising-Newspapers	0.00	2,100.00	-2,100.00	0.0%
5204440 · Newsletter Publishing	0.00	1,100.00	-1,100.00	0.0%

South Dakota Board of Accountancy
Profit & Loss Budget vs. Actual
July 2011 through February 2012

	Jul '11 - Feb 12	Budget	\$ Over Budget	% of Budget
5204460 · Equipment Rental	2,539.80	4,500.00	-1,960.20	56.4%
5204480 · Microfilm and Photography	502.66	700.00	-197.34	71.8%
5204490 · Rents Privately Owned Property	10,155.60	15,531.00	-5,375.40	65.4%
5204530 · Telecommunications Services	1,506.30	2,500.00	-993.70	60.3%
5204540 · Electricity	487.06	865.00	-377.94	56.3%
5204560 · Water	111.75	240.00	-128.25	46.6%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204740 · Bank Fees and Charges	2,692.65	2,700.00	-7.35	99.7%
5205020 · Office Supplies	354.28	1,700.00	-1,345.72	20.8%
5205310 · Printing State	0.00	500.00	-500.00	0.0%
5205320 · Printing/Duplicating/Binding Co	163.57	1,000.00	-836.43	16.4%
5205330 · Supplemental Publications	630.00	700.00	-70.00	90.0%
5205340 · Microfilm Supplies/Materials	0.00	300.00	-300.00	0.0%
5205350 · Postage	5.85	3,100.00	-3,094.15	0.2%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207900 · Computer Hardware	0.00	4,800.00	-4,800.00	0.0%
5207950 · System Development	0.00	500.00	-500.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	500.00	-500.00	0.0%
5228000 · Operating Transfers Out-NonBudg	3,743.58	7,400.00	-3,656.42	50.6%
5228030 · Depreciation Expense	8,046.88	12,070.40	-4,023.52	66.7%
Total Expense	125,405.89	237,818.40	-112,412.51	52.7%
Net Ordinary Income	71,089.89	-44,148.40	115,238.29	-161.0%
Net Income	71,089.89	-44,148.40	115,238.29	-161.0%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
February 2012

	<u>Feb 12</u>	<u>Feb 11</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	75.00	75.00	0.00	0.0%
4293551 · Certificate Renewals-Active	50.00	0.00	50.00	100.0%
4293554 · Initial Firm Permits	100.00	100.00	0.00	0.0%
4293558 · Re-Exam Audit	150.00	120.00	30.00	25.0%
4293560 · Late Fees-Initial Certificate	50.00	0.00	50.00	100.0%
4293563 · Late Fees-Firm Permit Renewals	50.00	0.00	50.00	100.0%
4293564 · Late Fees-Peer Review	0.00	150.00	-150.00	-100.0%
4293566 · Firm Permit Individual	130.00	455.00	-325.00	-71.4%
4293567 · Peer Review Admin Fee	0.00	225.00	-225.00	-100.0%
4293568 · Firm Permit Name Change	0.00	25.00	-25.00	-100.0%
4293569 · Initial FAR	30.00	30.00	0.00	0.0%
4293570 · Initial REG	0.00	30.00	-30.00	-100.0%
4293572 · Re-Exam FAR	60.00	90.00	-30.00	-33.3%
4293573 · Re-Exam REG	180.00	30.00	150.00	500.0%
4293574 · Re-Exam BEC	90.00	60.00	30.00	50.0%
Total Income	965.00	1,390.00	-425.00	-30.6%
Gross Profit	965.00	1,390.00	-425.00	-30.6%
Expense				
5101010 · F-T Emp Sal & Wages	5,707.68	5,459.52	248.16	4.6%
5101020 · P-T/Temp Emp Sal & Wages	790.35	1,469.93	-679.58	-46.2%
5101030 · Board & Comm Mbrs Fees	240.00	360.00	-120.00	-33.3%
5102010 · OASI-Employer's Share	531.84	526.25	5.59	1.1%
5102020 · Retirement-ER Share	1,173.22	415.77	757.45	182.2%
5102060 · Health /Life Ins.-ER Share	1,533.78	1,533.78	0.00	0.0%
5102080 · Worker's Compensation	20.27	11.79	8.48	71.9%
5102090 · Unemployment Insurance	7.24	5.89	1.35	22.9%
5203260 · OS-Air Commercial Carrier	0.00	426.40	-426.40	-100.0%
5203300 · OS-Lodging	232.33	0.00	232.33	100.0%
5204020 · Dues and Membership Fees	150.00	0.00	150.00	100.0%
5204160 · Workshop Registration Fees	1,390.00	0.00	1,390.00	100.0%
5204180 · Computer Services-State	60.00	57.00	3.00	5.3%
5204200 · Central Services	1,016.10	987.38	28.72	2.9%
5204220 · Equipment Service & Maintenance	3.82	1.68	2.14	127.4%
5204230 · Janitorial/Maintenance Services	119.86	119.86	0.00	0.0%
5204340 · Computer Software Maintenance	446.25	0.00	446.25	100.0%
5204460 · Equipment Rental	690.60	690.60	0.00	0.0%
5204490 · Rents Privately Owned Property	1,269.45	1,269.45	0.00	0.0%
5204530 · Telecommunications Services	200.83	197.64	3.19	1.6%
5204540 · Electricity	64.38	64.26	0.12	0.2%
5204740 · Bank Fees and Charges	31.00	46.00	-15.00	-32.6%
5205020 · Office Supplies	64.39	545.98	-481.59	-88.2%
5205320 · Printing/Duplicating/Binding Co	48.22	0.00	48.22	100.0%
5205330 · Supplemental Publications	280.00	280.00	0.00	0.0%
5228000 · Operating Transfers Out-NonBudg	437.76	510.31	-72.55	-14.2%
5228030 · Depreciation Expense	1,005.86	1,005.86	0.00	0.0%
Total Expense	17,515.23	15,985.35	1,529.88	9.6%
Net Ordinary Income	-16,550.23	-14,595.35	-1,954.88	-13.4%
Net Income	-16,550.23	-14,595.35	-1,954.88	-13.4%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
 July 2011 through February 2012

	Jul '11 - Feb 12	Jul '10 - Feb 11	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,525.00	1,650.00	-125.00	-7.6%
4293551 · Certificate Renewals-Active	54,190.00	54,850.00	-660.00	-1.2%
4293552 · Certificate Renewals-Inactive	20,350.00	20,100.00	250.00	1.2%
4293553 · Certificate Renewals-Retired	670.00	650.00	20.00	3.1%
4293554 · Initial Firm Permits	1,100.00	900.00	200.00	22.2%
4293555 · Firm Permit Renewals	19,700.00	19,950.00	-250.00	-1.3%
4293557 · Initial Audit	600.00	510.00	90.00	17.7%
4293558 · Re-Exam Audit	1,650.00	1,740.00	-90.00	-5.2%
4293560 · Late Fees-Initial Certificate	100.00	0.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,850.00	5,950.00	-3,100.00	-52.1%
4293563 · Late Fees-Firm Permit Renewals	600.00	1,100.00	-500.00	-45.5%
4293564 · Late Fees-Peer Review	800.00	600.00	200.00	33.3%
4293566 · Firm Permit Individual	71,760.00	70,355.00	1,405.00	2.0%
4293567 · Peer Review Admin Fee	1,275.00	1,575.00	-300.00	-19.1%
4293568 · Firm Permit Name Change	320.00	150.00	170.00	113.3%
4293569 · Initial FAR	480.00	900.00	-420.00	-46.7%
4293570 · Initial REG	420.00	390.00	30.00	7.7%
4293571 · Initial BEC	450.00	810.00	-360.00	-44.4%
4293572 · Re-Exam FAR	1,080.00	1,050.00	30.00	2.9%
4293573 · Re-Exam REG	1,500.00	1,290.00	210.00	16.3%
4293574 · Re-Exam BEC	1,440.00	1,530.00	-90.00	-5.9%
4491000 · Interest and Dividend Revenue	11,505.78	16,547.72	-5,041.94	-30.5%
4896021 · Legal Recovery Cost	2,130.00	0.00	2,130.00	100.0%
Total Income	196,495.78	202,597.72	-6,101.94	-3.0%
Gross Profit	196,495.78	202,597.72	-6,101.94	-3.0%
Expense				
5101010 · F-T Emp Sal & Wages	39,961.28	39,903.94	57.34	0.1%
5101020 · P-T/Temp Emp Sal & Wages	10,086.72	10,980.49	-893.77	-8.1%
5101030 · Board & Comm Mbrs Fees	2,340.00	2,538.00	-198.00	-7.8%
5102010 · OASI-Employer's Share	3,773.86	3,869.45	-95.59	-2.5%
5102020 · Retirement-ER Share	3,786.26	3,053.10	733.16	24.0%
5102060 · Health /Life Ins.-ER Share	11,154.80	11,158.25	-3.45	0.0%
5102080 · Worker's Compensation	142.21	86.52	55.69	64.4%
5102090 · Unemployment Insurance	50.83	43.23	7.60	17.6%
5203010 · Auto--State Owned	135.43	97.68	37.75	38.7%
5203020 · Auto-Private-Ownes Low Mileage	452.00	294.20	157.80	53.6%
5203030 · In State-Auto- Priv. High Miles	893.92	398.12	495.80	124.5%
5203100 · In State-Lodging	807.74	93.00	714.74	768.5%
5203140 · InState-Tax Meals Not Overnigt	18.00	27.00	-9.00	-33.3%
5203150 · InState-Non-Tax Meals OverNight	260.00	137.00	123.00	89.8%
5203260 · OS-Air Commercial Carrier	1,343.20	3,167.50	-1,824.30	-57.6%
5203280 · OS-Other Public Carrier	149.35	104.00	45.35	43.6%
5203300 · OS-Lodging	2,941.92	4,280.50	-1,338.58	-31.3%
5203320 · OS-Incidentals to Travel	164.01	141.00	23.01	16.3%
5203350 · OS-Non-Taxable Meals Overnight	342.00	592.00	-250.00	-42.2%
5204010 · Subscriptions	207.50	424.25	-216.75	-51.1%
5204020 · Dues and Membership Fees	3,350.00	3,350.00	0.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	6,200.00	-6,200.00	-100.0%
5204160 · Workshop Registration Fees	3,799.00	3,855.00	-56.00	-1.5%
5204180 · Computer Services-State	477.00	456.00	21.00	4.6%
5204181 · Computer Development Serv-State	1,418.20	3,384.00	-1,965.80	-58.1%
5204200 · Central Services	4,595.23	4,682.55	-87.32	-1.9%
5204220 · Equipment Service & Maintenance	44.52	46.21	-1.69	-3.7%
5204230 · Janitorial/Maintenance Services	958.88	958.88	0.00	0.0%
5204340 · Computer Software Maintenance	812.05	897.50	-85.45	-9.5%
5204440 · Newsletter Publishing	0.00	486.89	-486.89	-100.0%
5204460 · Equipment Rental	2,539.80	3,136.80	-597.00	-19.0%
5204480 · Microfilm and Photography	502.66	0.00	502.66	100.0%
5204490 · Rents Privately Owned Property	10,155.60	10,155.60	0.00	0.0%
5204530 · Telecommunications Services	1,506.30	1,513.20	-6.90	-0.5%
5204540 · Electricity	487.06	518.76	-31.70	-6.1%
5204560 · Water	111.75	70.05	41.70	59.5%
5204740 · Bank Fees and Charges	2,692.65	2,201.59	491.06	22.3%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
July 2011 through February 2012

	<u>Jul '11 - Feb 12</u>	<u>Jul '10 - Feb 11</u>	<u>\$ Change</u>	<u>% Change</u>
5205020 · Office Supplies	354.28	1,001.10	-646.82	-64.6%
5205320 · Printing/Duplicating/Binding Co	163.57	384.72	-221.15	-57.5%
5205330 · Supplemental Publications	630.00	598.75	31.25	5.2%
5205350 · Postage	5.85	1,532.35	-1,526.50	-99.6%
5207900 · Computer Hardware	0.00	5,197.22	-5,197.22	-100.0%
5228000 · Operating Transfers Out-NonBudg	3,743.58	3,761.57	-17.99	-0.5%
5228030 · Depreciation Expense	8,046.88	8,046.88	0.00	0.0%
Total Expense	<u>125,405.89</u>	<u>143,824.85</u>	<u>-18,418.96</u>	<u>-12.8%</u>
Net Ordinary Income	<u>71,089.89</u>	<u>58,772.87</u>	<u>12,317.02</u>	<u>21.0%</u>
Net Income	<u><u>71,089.89</u></u>	<u><u>58,772.87</u></u>	<u><u>12,317.02</u></u>	<u><u>21.0%</u></u>

REPORT TO BOARD ON NASBA REGIONAL CONFERENCE

Nicole Kasin 3-20-12

The NASBA Western Regional Conference will be held in Anchorage, AK on June 27-29, 2012.

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

EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

Website Updates

Board staff has been working with DLR staff to convert our page. We are in the process of reviewing the conversion and making necessary updates before the page goes live.

Peer Review/AICPA Visit

The April 30th meeting will have a 2 hour block to have an open discussion with James Brackens from the AICPA. He is planning to discuss Peer Review Process, Peer Review Oversight Committees (PROC), Statistics, Transition of old guidelines to current guidelines, and other topics.

Firm Data

John Peterson, Laura Coome and I meet on March 19, 2012, to discuss ideas for the firm fee structure. A variety of issues were discussed and at the April 30th meeting those will be brought to the Board for a more in depth discussion and vetting of ideas on how and if to move forward.

CPE Audits

The committee has sent out proposed consent agreements for the failed audits and will bring those to the Board for approval. There is one hearing scheduled for the April 30th Board meeting in regards to a failed CPE audit.

NASBA Committee Assignments

An email was sent out February 6, 2012, to all board members from NASBA requesting submission of documentation for participation on committees. If you did not receive the email please let me know. If you have any questions about any committees I can gather the information and send it to you upon request. The due date for submission is April 9, 2012.

ARKANSAS STATE BOARD OF PUBLIC ACCOUNTANCY

Dale Coy, CPA, President
Gene Cogbill, CPA, Secretary
Dr. Mike Moore, CPA, Treasurer
Karen Garrett, CPA



Wade Turner, CPA
Lloyd Franklin, CFE
W. R. "Bill" Millager, MBA

Jimmy Corley, CPA
Executive Director

Michael T. Daggett, Chair
NASBA Nominating Committee
150 Fourth Ave. North, Suite 1300
Nashville, TN 37219-2417

January 23, 2012

Mr. Daggett:

The Arkansas State Board of Public Accountancy would like to endorse the candidacy of Carlos Johnson, EdD, CPA, for NASBA Vice Chair. Mr. Johnson has a very rare combination of years of experience in education, regulation, and public accounting, as well as a user of services provided by the accounting profession. We believe this experience would be invaluable to NASBA as well as the individual state boards as Vice Chair. His past work with NASBA is well documented – his contributions to the profession are numerous through his work with other organizations as well, such as the AICPA, Oklahoma State Board of Accountancy, and multiple universities within the state of Oklahoma.

Our board fully endorses Carlos Johnson for this position and we appreciate this opportunity to participate in the selection process.

Best Regards,

A handwritten signature in cursive script, appearing to read "Dale Coy, CPA".

Dale Coy, CPA
President
Arkansas State Board of Public Accountancy

101 East Capitol, Suite 450

Little Rock, Arkansas 72201

(501) 682-1520

Fax (501) 682-5538

www.Arkansas.gov/asbpa



FLORIDA BOARD OF ACCOUNTANCY

240 Northwest 76 Drive Suite A
Gainesville Florida 32607-1111
(352)333-2505 – Fax 352(333-2508)

February 1, 2012

Mr. Michael T. Daggett, CPA
NASBA Nominating Committee
150 Fourth Avenue North, Suite 700
Nashville Tennessee 37219-2417

Dear Mr. Daggett:

At their January 24, 2012 meeting, the Florida Board of Accountancy voted to endorse Carlos Johnson, Ed.D. CPA of Oklahoma for NASBA Vice-Chair for the 2012-2013 fiscal year, and submits this letter endorsing Dr. Johnson's candidacy. Dr. Johnson's has demonstrated his interest and dedication to the accounting profession through his many years of service. In addition to working in excess of 40 years in public practice, government, and industry, he has served as an educator and regulator. He has also been an active participant of the Oklahoma Society of CPAs, holding several leadership positions throughout the years and has served as a member of the Oklahoma Board of Accountancy for ten years.

Dr. Johnson's diverse experience also includes serving the profession on the national level. He has served in leadership roles at the American Institute of CPAs, where he was chairman of the Uniform Accounting Act Committee and as a member of the Awards Committee for three years. Dr. Johnson has extensive experience with NASBA, including serving as a member of the board and various committees.

The Florida Board requests that the Nominating Committee accept and support our endorsement of Carlos Johnson, Ed.D. CPA as NASBA Vice-Chair.

Respectfully,

Cynthia D. Borders-Byrd, CPA
Chair

Cynthia D. Borders-Byrd, CPA, Chair
William Durkin, CPA, Vice-Chair
Maria E. Caldwell, CPA
Stephen C. Riggs, CPA
Dr. Martin Fennema, CPA

Eric Robinson, CPA
David L. Dennis, CPA
Teresa Borcheck, Consumer Member
H. Steven Vogel, Consumer Member

Veloria A. Kelly, Executive Director
Mary Ellen Clark, Esq., Legal Counsel



**STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANTS
OF LOUISIANA**

601 Poydras Street, Suite 1770
New Orleans, LA 70130

Phone: (504) 566-1244
Fax: (504) 566-1252
www.cpaboard.state.la.us

January 31, 2012

Michael T. Daggett, CPA, Chairman
NASBA - Nominating Committee
150 Fourth Avenue North, Suite 1300
Nashville TN 37219-2417

Re: Vice Chair Recommendation, 2012-2013 - Dr. Carlos E. Johnson, CPA

Dear Michael:

The State Board of CPAs of Louisiana is pleased to support the nomination of Carlos Johnson as NASBA Vice Chair. Carlos' accomplishments and successes in numerous positions of responsibility, his educational achievements, and the breadth of his diverse experiences in professional, civic, and public arenas make him eminently qualified to serve as our Vice Chair in 2012-13 and to subsequently accede to Chair.

As a member board in the Southwest Region with Oklahoma, we have observed Carlos's skills first-hand, as a personable, engaging, and persuasive individual. Most importantly for a successful leader, Carlos exhibits the quality of being an excellent listener, one with the capacity to assimilate various points of view ensuring that all concerns are being heard and addressed. Moreover, Carlos is very much a "people person" and we believe it is this well-developed trait that has enabled him to rise to leadership roles in countless groups and myriad organizations. These qualities will be of immeasurable benefit to NASBA.

We need not repeat his credentials, which have been well-documented by the Oklahoma Accountancy Board and other boards' supporting his nomination. Carlos' service to state boards and commitment to NASBA are highly commendable and very well-known.

The Louisiana Board is pleased to support and add its endorsement of Carlos Johnson for the office of Vice Chair.

Very truly yours,

A handwritten signature in cursive script that reads "Michael A. Tham".

Michael A. Tham, CPA
Chairman

A handwritten signature in cursive script that reads "Michael A. Henderson".

Michael A. Henderson, CPA
Executive Director

cc: State Boards of Accountancy



Oregon

John A. Kitzhaber, MD, Governor

Board of Accountancy

3218 Pringle Road SE #110

Salem, OR 97302-6307

(503) 378-4181

FAX (503) 378-3575

<http://www.oregon.gov/BOA/>

March 8, 2012

Michael T. Daggett, CPA, Chair
NASBA Nominating Committee
150 Fourth Avenue North Suite 1300
Nashville TN 37219-2417

Re: Nomination of Dr. Raymond Johnson, CPA
for NASBA Director at Large

Dear Mr. Daggett:

The Oregon Board of Accountancy, during its meeting of February 6, 2012, voted unanimously to endorse the candidacy of Dr. Raymond Johnson, CPA for NASBA Director at Large. As his attached Curriculum Vitae shows, Ray's lifelong commitment and service to the accounting profession make him exceptionally well-qualified to serve as a NASBA Director at Large.

Ray served as a member of the Oregon Board of Accountancy from 2004 to 2012, having been appointed by the Governor three times. His fellow Board members twice elected him to serve as Chair for both 2010 and 2011. Ray is a past member of the Board of Directors and President of the Oregon Society of Certified Public Accountants.

The high level of Ray's commitment and service to NASBA cannot be overstated. He has previously served as a member of the State Board Relevance and Effectiveness Committee and the Ethics and Strategic Professional Issues Committee. Ray currently serves NASBA in the following capacities:

- Western Region Director
- Chair, Ethics and Strategic Professional Issues Committee
- NASBA Representative to the Consultative Advisory Group of the International Accounting Education Standards Board
- U.S. International Qualifications Assessment Board

Having worked closely with Ray during his last 3 years on the Oregon Board, I know him to be a thoughtful listener who values the input and ideas of other persons. These qualities are essential for those serving in NASBA leadership positions.

The Oregon Board of Accountancy supports the nomination of Dr. Ray Johnson for NASBA Director at Large. His election to the position will be a great benefit to NASBA.

Sincerely,

L. Patrick Hearn
Executive Director



COMMONWEALTH OF VIRGINIA
BOARD OF ACCOUNTANCY

9960 Mayland Drive, Suite 402

Perimeter Center

Henrico, Virginia 23233

TELEPHONE: (804) 367-8505

FACSIMILE: (804) 527-4409

WEBSITE: www.boa.virginia.gov

E-MAIL: boa@boa.virginia.gov

January 24, 2012

Wade A. Jewell
Executive Director

Lawrence D. Samuel, CPA
Chairman

Dian T. Calderone, MTX, CPA
Vice Chairman

Tyrone E. Dickerson, CPA
Immediate Past Chairman

W. Barclay Bradshaw, CPA
Board Member

Regina P. Brayboy, MPA, MBA
Board (Public) Member

Robert J. Cochran, Ph.D., CPA
Board (Educator) Member

Andrea M. Kilmer, CPA, CFF
Board Member

Michael T. Daggett, CPA
Immediate Past Chair, NASBA
150 4th Avenue North, Suite 1300
Nashville, TN 37219-2417

Dear Chairman Daggett,

The Virginia Board of Accountancy (VBOA) is pleased to support the nomination of Walter C. Davenport, CPA, for the position of NASBA Vice Chair.

Numerous Board members from Virginia have worked with Walter, and through these contacts we believe that his experiences, knowledge, skills, leadership ability and service to NASBA and the profession are well suited to represent the interests of state boards of accountancies as NASBA's Vice Chair.

The VBOA reaffirms comments made from other Boards that support Walter's nomination. We look forward to our continued relationship with NASBA!

Sincerely,

A handwritten signature in cursive script that reads "Lawrence D. Samuel".

Lawrence D. Samuel, CPA, Chairman
Virginia Board of Accountancy

cc: State Boards of Accountancy
Walter C. Davenport, CPA



STATE OF WASHINGTON
BOARD OF ACCOUNTANCY

PO Box 9131 • Olympia, Washington 98507-9131
(360) 753-2585 • FAX (360) 664-9190 • www.cpaboard.wa.gov

Michael T. Daggett, CPA
National Association of State Boards of Accountancy
150 Fourth Avenue North, Suite 700
Nashville, TN 37219-2417

January 31, 2012

Re: Nomination of Mr. Walter C. Davenport, CPA for NASBA Vice-Chair 2012-2013

Dear Mr. Daggett and Members of the Nominating Committee:

At the January 26, 2012 public meeting of the Washington State Board of Accountancy the Board members evaluated the two requests for support as nominee for NASBA Vice-Chair. The two requests for support were received from Carlos E. Johnson, Ed.D., CPA and Walter C. Davenport, CPA.

Although the Board recognized the eminent qualifications of both individuals, the Board unanimously voted to recommend Walter C. Davenport, CPA as the nominee for NASBA Vice-Chair 2012-2013.

In these challenging times of globalization the Washington Board believes Mr. Davenport's experience, cultural awareness, personal contributions to NASBA's successes, personal civic involvements, and demonstrated leadership throughout his career provide an appropriate foundation to well serve state boards and NASBA at this point in time. The Board also observed that NASBA Board's Executive Leadership has recently not included a representative from the eastern seaboard.

The Washington State Board of Accountancy is, therefore, pleased to recommend Mr. Walter C. Davenport, CPA to be NASBA's future Vice-Chair.

Board member Jolicoeur, a member of NASBA's Nominating Committee, recused himself from the deliberations and vote.

Sincerely,

Donald F. Aubrey, CPA
Chair

STATE OF NEBRASKA

BOARD OF PUBLIC ACCOUNTANCY

P.O. Box 94725, Lincoln, NE 68509
140 N. 8th St., #290, Lincoln, NE 68508
(402) 471-3595 or (800) 564-6111
FAX (402) 471-4484 E-mail: Dan.Sweetwood@Nebraska.gov
Home Page: www.nbpa.ne.gov



Dave Heineman
Governor

February 22, 2012

Mr. Michael T. Daggett, CPA, Chair
Nominating Committee/ NASBA
150 4th Avenue North, Ste 700
Nashville, TN 37219-2417

Re: Nomination of Kathleen J. Smith for NASBA Vice-Chair

Dear Mr. Daggett:

The Nebraska State Board of Public Accountancy hereby submits the name of Kathleen J. Smith for Vice-Chair of the NASBA Board of Directors.

Ms. Smith has been very active within NASBA, recently completing ten years on the NASBA Board of Directors. She served eight years as a Director at Large and two years as the Central Region Director. Ms. Smith has presided as Chair of the NASBA Education, Bylaws, Legal Affairs, Awards, and Uniform Accountancy Act Committees. She currently serves on the International Qualifications Appraisal Board and Bylaws Committee. In the past, she has served on the NASBA CPA Licensing Examination, Strategic Initiatives, and Relations with Member Boards Committees, as well as, the Committee on National Examination Preparedness, PCAOB Response Task Force, and the 150 Hour Task Force.

Ms. Smith especially has a wealth of knowledge and experience in regard to the Uniform Certified Public Accountants Examination. In the past, she served as a member of the AICPA Content Committee and chaired the Business Environment and Concepts (BEC) Exam Subcommittee. We believe her knowledge is invaluable regarding NASBA's relationship with the AICPA and the CPA exam.

Ms. Smith served over eight years on the Nebraska State Board of Public Accountancy, including serving as Chair of the Board. She also participated in and chaired various committees of the Board including Enforcement, CPE, and Quality Enhancement. She was active, and continues to be active, in our Educational Advisory Committee.

Page 2

Mr. Michael T. Daggett

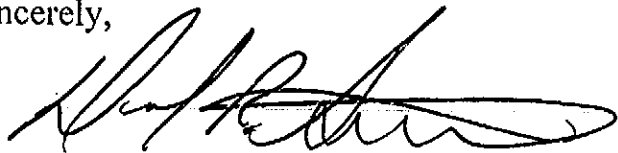
Ms. Smith is currently a Professor of Accounting and Business Law at the University of Nebraska at Kearney (UNK), after serving as Dean of the College of Business and Technology and Vice Chancellor of University Relations. She is a graduate of the University of South Dakota with a B.S. in Business Administration (Accounting), a Master of Professional Accountancy and Juris Doctor, as well as, an L.L.M. in Taxation from the University of the Pacific, McGeorge School of Law. Ms. Smith brings a wide range of experiences that include being a deputy state's attorney, a practicing attorney, a business and tax consultant, a professor, and an educational administrator.

Ms. Smith's current professional and academic memberships include the Nebraska Society of CPAs, American Accounting Association, United States Tax Court, the American Association of Attorney- Certified Public Accountants, and the National Education Association. She holds her Certified Public Accountant certificate through the state of South Dakota and is a licensed attorney. Ms. Smith has made numerous professional presentations and has authored many publications involving taxation and accounting.

The members of the Nebraska State Board of Public Accountancy are confident Ms. Smith has prepared herself well for the position of Vice Chair of the NASBA Board of Directors. Her experience, knowledge, and personal skills make her an excellent candidate.

If you or your committee requires further information, do not hesitate to contact us. We would be pleased to provide further information if needed. The members of the Nebraska State Board of Public Accountancy are pleased to nominate and support Ms. Smith for the position of NASBA Vice-Chair.

Sincerely,

A handwritten signature in black ink, appearing to read 'Daniel R. Sweetwood', with a stylized, flowing script.

Daniel R. Sweetwood

Executive Director/ Nebraska State Board of Public Accountancy

cc. Nebraska State Board of Accountancy/ Members
State Boards of Accountancy



MEMORANDUM

To: State Board Executive Directors
State Board Chairs/Presidents
NASBA Board of Directors
Past Chair Advisory Council

From: Ken L. Bishop, President & CEO

Date: 3/19/2012

Re: Vice Chair Nomination

NASBA's Nominating Committee met Monday, March 19, to select a candidate for NASBA Vice Chair 2012-2013, who will automatically accede to Chair in 2013-2014. I am pleased to present Dr. Carlos E. Johnson, Ed.D., CPA, as the Committee's nominee.

Carlos is a former member and chairman of the Oklahoma Board of Accountancy and currently serves as a Director-at-large of NASBA and serves on numerous NASBA committees, including UAA (Chair), State Board Relevance and Legislative Support Initiatives. Carlos served as NASBA's Southwest Regional Director 2006 – 2009, and began his service as Director-at-large in 2009.

Carlos led the completion of the "Firm Name Exposure Draft" and its adoption by the respective boards of directors of NASBA and AICPA resulting in the Sixth Edition of the UAA. In addition, he lead the adoption of a new rule to the UAA, providing that the SAS 70 service bifurcated as an Attestation Service continue as a covered service subject to board of accountancy jurisdiction.

Carlos has more than 40 years of experience specializing in the practice of financial institutions, higher education, government, not-for-profit and retail accounting. Carlos holds a Bachelor of Science degree from East Central University, Ada, Oklahoma, and Master of Science and Doctorate from Oklahoma State University, Stillwater, Oklahoma. Dr. Johnson is a retired partner of KPMG, a former partner with the firm of Lisle, Compton, Cole and Almen in Oklahoma City, which merged into the firm of BKD, and Horne & Company of Ada, Oklahoma.

Carlos is currently of counsel to Eide Bailly LLP, CPAs, Oklahoma City and is self employed as a management consultant. Carlos and his wife Pam have 3 children and 6 grandchildren.

Carlos's dedication and professional skills will help further NASBA's mission to enhance the effectiveness of State Boards of Accountancy in the years to come. Please join me in congratulating Carlos E. Johnson, on receiving the nomination for Vice Chair of NASBA 2012-2013.

c: Mark P. Harris, CPA, Chair
NASBA



ACCOUNTANCY BOARD OF OHIO

77 SOUTH HIGH STREET, 18TH FLOOR
COLUMBUS, OHIO 43215-6128
PHONE: 614.466.4135 FAX: 614.466.2628
WEBSITE: ACC.OHIO.GOV

RONALD J. ROTARU, EXECUTIVE DIRECTOR

February 1, 2012

Michael T. Daggett, CPA
Chair, Nominating Committee
National Association of State Boards of Accountancy
150 Fourth Avenue North, Suite 700
Nashville, TN 37219-2417

Re: Recommendation of Theodore ("Ted") W. Long Jr. for Vice Chair of the National Association of State Boards of Accountancy

Dear Mr. Daggett,

On behalf of Margaret Houston, Chair of the Accountancy Board of Ohio, the Board unanimously supports the nomination of Theodore ("Ted") W. Long Jr. for the Board of Directors position of Vice Chair of the National Association of State Boards of Accountancy.

National Association of State Boards of Accountancy Experience

Mr. Long is a Director at Large on the Board of Directors and has completed one three year term. He also served as the Great Lakes Regional Director for three one year term. During his tenure on the Board, Mr. Long has a long record of significant accomplishments. In his role as Chair of the Administration and Finance Committee and as Treasurer of the Board, he changed the investment policy from a tactical to a strategic focus. He positioned the Investment Committee to function more efficiently by instituting an investment advisor discretionary account. Mr. Long also served as Chair of the CPE Advisory Committee for three terms; in this position, he created a taskforce to analyze and implement changes to the CPE Provider Standards. As Chair of the Relations with Member Boards Committee he developed an executive summary for focus questions and created a structured visitation program. As Chair of the Bylaws Committee he instituted a review and revision of the organization's rules and regulations. Mr. Long has served as a member of various other Board committees including: the CEO Selection Advisory, CBT Examination Communication, CPA Mobility Taskforce, International Delivery of the CPA Exam and Audit committees.

Accountancy Board of Ohio Experience

Mr. Long is a former member of the Accountancy Board of Ohio. He served eleven years in two terms and was elected Chair in 1991, 1992 and 2005. He served as Chair of the Board's Disciplinary Advisory, Peer Review, Licensing, Nominating, Education Assistance and Office Oversight Committees.

Professional, Civic and Educational Experience

Mr. Long is a retired partner of Ernst & Young LLP with over thirty years of experience in public accounting, primarily in the area of attest and advisory services. He has served on the Ohio CPA Society's Board of Directors as well as being a member on various nonprofit boards of directors. He is a member of the Audit Committee of United Way Services of Greater Cleveland and the Cleveland Metropark Boards.

In conclusion, The Accountancy Board of Ohio believes that Ted's leadership and extensive board and regulatory experience eminently qualifies him for the Board of Directors position of Vice Chair of the National Association of State Boards of Accountancy.

We appreciate your consideration.

Very truly yours,

Ronald J. Rotaru
Executive Director



Oregon

John A. Kitzhaber, MD, Governor

Board of Accountancy

3218 Pringle Road SE #110

Salem, OR 97302-6307

(503) 378-4181

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<http://www.oregon.gov/BOA/>

March 8, 2012

Michael T. Daggett, CPA, Chair
NASBA Nominating Committee
150 Fourth Avenue North Suite 1300
Nashville TN 37219-2417

Re: Nomination of Dr. Raymond Johnson, CPA
for NASBA Director at Large

Dear Mr. Daggett:

The Oregon Board of Accountancy, during its meeting of February 6, 2012, voted unanimously to endorse the candidacy of Dr. Raymond Johnson, CPA for NASBA Director at Large. As his attached Curriculum Vitae shows, Ray's lifelong commitment and service to the accounting profession make him exceptionally well-qualified to serve as a NASBA Director at Large.

Ray served as a member of the Oregon Board of Accountancy from 2004 to 2012, having been appointed by the Governor three times. His fellow Board members twice elected him to serve as Chair for both 2010 and 2011. Ray is a past member of the Board of Directors and President of the Oregon Society of Certified Public Accountants.

The high level of Ray's commitment and service to NASBA cannot be overstated. He has previously served as a member of the State Board Relevance and Effectiveness Committee and the Ethics and Strategic Professional Issues Committee. Ray currently serves NASBA in the following capacities:

- Western Region Director
- Chair, Ethics and Strategic Professional Issues Committee
- NASBA Representative to the Consultative Advisory Group of the International Accounting Education Standards Board
- U.S. International Qualifications Assessment Board

Having worked closely with Ray during his last 3 years on the Oregon Board, I know him to be a thoughtful listener who values the input and ideas of other persons. These qualities are essential for those serving in NASBA leadership positions.

The Oregon Board of Accountancy supports the nomination of Dr. Ray Johnson for NASBA Director at Large. His election to the position will be a great benefit to NASBA.

Sincerely,

L. Patrick Hearn
Executive Director

National Association of State Boards of Accountancy, Inc.

Meeting of the Board of Directors October 21, 2011 – Nashville, TN

1. Call to Order

A duly scheduled meeting of the Board of Directors of the National Association of State Boards of Accountancy was called to order by Chair Michael Daggett at 9:00 a.m. on Friday, October 21, 2011 at the Opryland Hotel in Nashville, Tennessee. Chair Daggett welcomed all. He thanked those retiring from the Board for their service and introduced those joining the Board.

2. Report of Attendance

President David Costello reported the following were present:

Officers

Michael T. Daggett, CPA (AZ), Chair
Mark P. Harris, CPA (LA), Vice Chair
Billy M. Atkinson, CPA (TX), Past Chair
Theodore W. Long, Jr., CPA (OH), Treasurer, Director-at-Large
Gaylen R. Hansen, CPA (CO), Secretary, Director-at-Large

Directors-at-Large

Donald H. Burkett, CPA (SC)
Walter C. Davenport, CPA (NC)
Richard Isserman, CPA (NY)
Carlos E. Johnson, CPA (OK)
Harry O. Parsons, CPA (NV)
Kathleen J. Smith, CPA, Esq. (NE)
E. Kent Smoll, CPA (KS)

Regional Directors

Jefferson Chickering, CPA (NH), Northeast
Miley ("Bucky") W. Glover, CPA (NC), Middle Atlantic
Janice L. Gray, CPA (OK), Southwest
Telford A. Lodden, CPA (IA), Central
Kenneth R. Odom, CPA (AL), Southeast
Laurie J. Tish, CPA (WA), Pacific
Kim Tredinnick, CPA (WI), Great Lakes
Karen Forrest Turner, CPA (CO), Mountain

Executive Directors' Liaison

Richard C. Sweeney, CPA (WA)

Staff

David A. Costello, CPA, President and Chief Executive Officer
Ken L. Bishop, Senior Vice President and Chief Operating Officer
Michael R. Bryant, CPA, Chief Financial Officer
Louise Dratler Haberman, Director - Information and Research
Thomas G. Kenny, Director – Communications
Noel L. Allen, Esq., Legal Counsel
Anita L. Holt, Executive Assistant to the President
Alfonzo Alexander, Chief Relationship Officer
Denise Hanley, Chief Data Officer
John Fields, Director - Project Management Office

Guests

Jimmy E. Burkes, CPA, Southeastern Regional Director nominee
Colleen Conrad, CPA, Incoming NASBA Chief Operations Officer
Pamela Ives Hill, CPA, Incoming Executive Directors' Liaison
Raymond Johnson, CPA, Pacific Regional Director nominee
William Treacy, Chair, NASBA/AICPA International Qualifications Appraisal Board

3. Approval of Minutes

On a motion by Mr. Johnson, seconded by Mr. Davenport, the minutes of the July 29, 2011 meeting of the NASBA Board of Directors were approved as submitted by Secretary Hansen.

4. Report of the Chair

Chair Daggett reported on the September 8, 2011 summit meeting of NASBA and AICPA leadership, held in New York City at the AICPA's office. Mobility was discussed and everyone was pleased with the progress that has been made, with only two states and five territories not yet part of the mobility network. The AICPA honored President Costello, as that was his final summit meeting prior to his January 1, 2012 retirement, by taking him to a Yankees' baseball game. Other topics discussed at the summit were: the Uniform CPA Examination; private company financial standards; the work of the NASBA/AICPA International Qualifications Appraisal Board; a presentation by William Ezzell, a Deloitte partner, on duplicative enforcement ("piling on"); the results of the tri-party summit with the CICA in July; the AICPA's GMA initiative with the Chartered Management Accountants; the agendas of upcoming NASBA and AICPA meetings; and the signing of the mutual recognition agreement with the Hong Kong Institute of CPAs.

Chair Daggett also attended the NASBA Staff Directors meeting in Phoenix and he met with the Director of the Arizona Institute of CPAs to get the society's impression of NASBA's issues.

The Government Accounting Standards Board is seeking nominations for a new member, Chair Daggett announced. The initial term of office would be for five years and it would be a

paid third of a full-time position. They are generally not looking for someone employed in a public accounting firm, Mr. Daggett said.

He asked the Board of Directors to each tell him a word that describes retiring President David Costello. Among words he had already heard about Mr. Costello were: insightful, creative, a visionary, optimistic, cheerful, cheer leader for the profession. Chair Daggett said he had been lucky to be working with Mr. Costello.

5. Report of the President and Executive Vice President

President Costello said he appreciated all the NASBA Chairs and Boards of Directors that he had worked with over his 17 years with NASBA. He praised their independence in attitude and ability not to be intimidated or forced into an opinion.

NASBA Chief Financial Officer Michael Bryant has been named by the *Nashville Business Journal* as one of the five finalists in the top CFO group for non-profit organizations, Mr. Costello reported and congratulated him on this honor. He also praised the 2011 NASBA Annual Report as being “spectacular” and said it will be entered into a contest.

Executive Vice President Bishop said NASBA and AICPA are very pleased with the success of the international administration of the Uniform CPA Examination. As of October 12 there were 3,454 sections signed up for, which was remarkably close to what had been predicted.

A letter was sent to the State Boards saying NASBA supports the Financial Accounting Foundation’s process in responding to the AICPA/FAF/NASBA Blue Ribbon Panel on Financial Reporting Standards for Private Companies’ report, President Costello said.

Getting New York to adopt mobility legislation was a big struggle, Mr. Bishop said. He is meeting with groups in California and the District of Columbia to get legislation passed in those jurisdictions as well. He will be flying to Hawaii with Mr. Allen in two weeks to promote mobility there as well. The goal is to have all jurisdictions enact mobility legislation.

NASBA is leveraging resources to come up with new opportunities for the benefit of state boards, Mr. Bishop explained. He reported Denise Hanley had been named Chief Data Officer and will be developing an on-line membership database that will assist NASBA in learning what resources can be drawn on for committee appointments, nominations, etc. The *2011 Candidate Performance on the Uniform CPA Examination* handbook has been produced both in hard copy and on-line, and is much improved, Mr. Bishop said, with the assistance of James Suh, NASBA Training, Analytics & Quality Director. Custom reporting for schools, including regional comparisons, can be done. NASBA’s Web site has also been refreshed to reflect the association’s worldwide presence.

President Costello looked back at the 2009 Annual Report, which talked about “opening doors,” and NASBA has done that he said. With the NASBA Center for the Public Trust, the association has stepped into a leadership role in ethics. He encouraged the Board members to become “passionate about CPT.” Mr. Bishop announced that Alfonzo Alexander had been named as President of CPT and Mr. Bishop will serve as CPT’s Chief Executive Officer. Mr. Costello will join the CPT Board of Directors on January 1, 2012. The CPT’s “Being a Difference Award” is being presented to Malissa Clinton of The Aerospace Corporation, Kathleen Edmond of Best Buy, Stephen Epstein of the Michigan Association of CPAs’ Professional Ethics Task Force, Thomas Hill of Kimray, Inc., and Robbie Narcisse of Pitney

Bowes, Inc., plus there are now eight student chapters of the CPT with others in the pipeline, Mr. Costello announced.

Recent staff activities included a chili cook-off and the staff directors' retreat, Mr. Bishop said. NASBA is sponsoring a Toastmasters' Club for the staff and all the CPA Exam Services staff members are going through the Toastmasters' training program. President Costello said he has continued to support the "FISH!" philosophy, four steps to boost morale developed for the Pike Street Fish Market in Seattle, WA. He said NASBA's staff is motivated to come to work each day as the FISH! philosophy is applied, and he will be sending a copy of the FISH! book to all the State Boards' executive directors, along with a note from him.

CBT continues to be the best success story of all the professional examinations, Mr. Bishop proclaimed.

6. Report of the Vice Chair

Vice Chair Harris said he had finalized all the committee assignments two weeks ago and the committee members have been communicated with. While some committees are swelling, there are others that still need more members. He asked that the committee chairs contact him if any adjustments to the committee rosters are needed. Mr. Harris said he tried to add fresh faces to the committees. For example, four new people were put on the Uniform Accountancy Act Committee and four were rotated off. Three new people were put on the Administration and Finance Committee.

Mr. Harris said his word for David was "opportunity" because he is a leader who hopes to provide opportunity for other people.

7. Report of the Administration and Finance Committee

A&F Committee Chair Long said his word for David was "compassionate," because he provides compassionate leadership.

Treasurer Long said the A&F Committee had reviewed the audited financial statements, saw several drafts and approved the final version. Mr. Long referred to the July meeting when some NASBA Board members had challenged the treatment of the PCS sale and a second accounting firm's review had been obtained, which confirmed the conclusion received from the first firm.

Mr. Long reported NASBA had the best financial year in its history in 2011, with consolidated earnings of \$9.5 million. In addition, unrestricted net assets at year-end were \$26.9 million and NASBA continued to be free of debt. Mr. Long also reported that NASBA achieved a 12.2 percent return on its long-term investments for the year.

8. Report of the Audit Committee

Audit Committee Chair Burkett said his word for David is "character," as he is one of the 5-6 characters who stood out in Mr. Burkett's life.

The Audit Committee reviewed the audit report, internal control documentation and the tax opinion regarding the PCS transaction. They met with the audit firm management present. After their review of the final draft of the audit report, they passed a motion to accept it as

presented. The Audit Committee also discussed rotation of the audit firm and decided it was not necessary at this time, and all felt comfortable with engaging Lattimore Black Morgan & Cain, PC, again for fiscal year 2012. The Committee also reviewed the Audit Committee's Charter as part of their annual responsibilities and no changes were proposed.

9. Report of the Regulatory Response Committee

Regulatory Response Committee Chair Isserman said his word for David is "far sighted." According to Mr. Isserman, Mr. Costello also has insight and forms strong opinions on sound reasoning, but is also willing to change his opinion based on sound reasoning.

Mr. Isserman referred to the two letters sent out by the Regulatory Response Committee during the past quarter, one to the PCAOB related to the auditor's reporting on financial statements and the second to the Securities and Exchange Commission on their work plan for incorporating IFRS. The Regulatory Response Committee is now working on comments to two concept releases from the PCAOB. He would like the Committee to focus on the issue of "coziness" which PCAOB Chair James Doty has raised. If as time goes by accountants become cozy with their clients, then that would equate to a loss of independence and critical thinking. If you agree with that, then as regulators the Accountancy Boards should not be able to license people over time, Mr. Isserman said.

Another issue raised in the PCAOB paper is requiring firm partners involved in the audit to be named in the audit report as well as the other firms involved in the audit. Mr. Isserman said such information is now discoverable in law suits and is available to the State Boards. He said the Regulatory Response Committee would be considering the metric that should be used for what needs to be reported.

Ray Johnson said he does not think enough discussion is going on between the PCAOB and investors. He told the Board he thinks that investors are being asked what they want without understanding what auditors can reasonably deliver. The investors and auditors seem to be talking past each other. Mr. Johnson suggested NASBA should do more to improve the quality of that conversation.

10. Report on the International Administration of the CPA Exam

Executive Vice President Bishop said the international administration of the Uniform CPA Examination has not drawn much resistance from the states and concern over why this is being done is diminishing. There will be advanced demographics to show what people are doing after they test and this will be compared to what domestic candidates do, Mr. Bishop said. There has been a drop off in the number of candidates who are taking the examination in Guam, as Japanese candidates are taking the examination in Japan. He said it may be an easier process for Chinese candidates to test in Guam than in domestic sites.

US citizens can test in any test center in the world, Mr. Bishop explained. In the Middle East, candidates from Yemen will be able to go into test centers. Most recently, an agreement that will allow candidates to take the Examination in Brazil has also been signed (adding to the sites in Bahrain, Japan, Kuwait, Lebanon and the United Arab Emirates). Candidates from three Latin American countries will be able to take the test in Brazil. Talks are going on with Egypt

and Saudi Arabia, as Mr. Bishop says the negotiating team has become more comfortable with the way in which Saudi Arabia deals with women candidates.

The call center in Guam is working very effectively, Mr Bishop said. NASBA is now answering candidates' calls 16 hours per day with no net increase in cost to NASBA. There is some cross-training going on at Guam for testing center and call center personnel. Some economies of scale are being realized, he said.

11. Report of the Ethics & Strategic Professional Issues Committee

Ethics Committee Chair Hansen said he too picked the word "enthusiastic" for Mr. Costello, a quality which he believes has been infectious.

He referred the Board to the report of the Ethics Committee's activities in the agenda material for the meeting. He reported he had co-authored with Ray Johnson an article on independence which appeared in the *CPA Journal*. He has been working with the AICPA Professional Ethics Executive Committee on the codification of the code of conduct and that is taking longer than expected, but it will go into effect in 2014. The PEEC has released an omnibus proposal that contains a rule on returning client records, which is not as stringent as several State Boards' rules on the topic. He and Ray Johnson have drafted a comment letter asking the PEEC to rethink their position. Return of records is the number one source of complaints to the State Boards, he observed. Mr. Hansen said he believes the SEC will have made a decision about the use of IFRS by the end of the year.

12. Report of the CPE Advisory Committee

CPE Advisory Committee Chair Lodden reported the proposed revised CPE standards were posted on the NASBA Web site on August 15. The comment period was extended until December 1, 2011. The Committee tried to be innovative and provide for flexible learning, including provisions for group internet-based delivery methods. Approximately 40 pages of comments have been received, which the Committee has reviewed. Most of the proposed changes were wordsmithing and did not change the standards substantially. One definition may be added, he said. These comments will be taken back to the joint AICPA/NASBA task group.

A best practice document needs to go along with the new standards, Mr. Lodden said. The Committee will also be working on a long-term project on outcome-based learning.

The word Mr. Lodden used to describe Mr. Costello was "energized."

13. Report of the Enforcement Resource Committee

Enforcement Resource Committee Chair Parsons said his word for Mr. Costello was "comfortable," as he works to make everyone in a room comfortable. Mr. Parsons said he will miss President Costello's memo in the *State Board Report*.

The investigator program is ramping up, Mr. Parsons said. Many states, especially smaller ones, have said they need help with investigations and the Committee is trying to find qualified people available in different regions. The Committee is also trying to create a referral task force for locating specialized help. In addition, they are working on making the

enforcement manual, which is available only to executive directors on www.nasba.org, more user-friendly. Newsletters have been sent to federal agencies describing what NASBA has done.

The enforcement manual will be one of the topics on the agenda for the March Executive Directors Conference, Mr. Sweeney said. They will discuss the best way to use the manual and the best way to build it.

14. Report of the Executive Directors Committee

Executive Directors Committee Chair Sweeney said he viewed President Costello as a “caring visionary” who was born to lead.

Mr. Sweeney said the executive directors are concerned about NASBA’s conference costs and NASBA has tried to help them with that. Still unresolved is the need for Boards to report enforcement activities to the Department of Health and Human Services, but Ms. Biek is working on it, Mr. Sweeney said. The agenda for the Executive Directors’ March conference has some place holders for breaking topics. One matter of concern is foreign transcript evaluation. The Executive Directors Committee will be led by Pamela Ives Hill 2011-12 and has expanded from seven to ten members.

15. Report of the Education Committee

Ms. Turner, chair of the Education Committee, said she would call Mr. Costello a “ringmaster extraordinaire.”

She reported her committee is monitoring the states’ education rules. At the end of 2011 the American Accounting Association’s Pathways Commission is supposed to complete its work and make recommendations. Ms. Turner said she had spoken to Bruce Behn, who heads the Pathways Commission, and told him that NASBA is interested in working with the AAA, as suggested in the ACAP report.

The contracts for this year’s NASBA research grants have been signed, Ms. Turner said, and a new request for proposal is being developed, with the assistance of Kevin Stocks, AAA past president, who helped with the previous request.

Based on the results of the recent focus questions, Ms. Turner said the Education Committee will be looking at the effectiveness of on-line education. Another issue to be considered is foreign education evaluation. She asked the Board members, particularly the committee chairs, to submit topics to her for research requests for the grant program. This year’s grants went to research on: what technology has taught us, factors contributing to the dearth of minority members in the profession, and the composition of the extra 30 hours of education. The research reports are to be presented at NASBA’s 2012 Regional Meetings.

16. Report of the Global Strategies Committee

Global Strategies Committee Chair Tish said she would call Mr. Costello a “good listener,” as there were complaints about NASBA not having enough women involved in committees and he took steps to correct that situation.

The Global Strategies Committee met in late September with Ed Barnicott to assist in strategizing. The Committee brainstormed and identified 20 topics of interest around which they

will build their strategy, Ms. Tish reported. They will meet again on November 29 and are continuing to wordsmith their mission.

The Committee has suggested the 2012 International Accounting Regulators Forum be tacked on to the end of the Annual Meeting in Orlando, FL, as it had been to the Annual Meeting in Boston.

The Committee is also promoting an awareness campaign, having developed a brochure about NASBA to hand out at international meetings. They are trying to explain to Boards why it is important to be involved in global activity. Ms. Conrad and Mr. Bishop have assisted in this effort. The brochure will be distributed at the Annual Meeting's Regional Breakfast Meetings.

17. Report of the Uniform Accountancy Act Committee

UAA Committee Chair Carlos Johnson said his word for Mr. Costello is "tenacious." This was apparent in the approved UAA and Model Rule changes on firm names.

This year the UAA Committee also introduced a Model Rule change to cover SAS 70. The next project for the UAA Committee was to be consideration of the definition of "attest"; however, the AICPA determined it was necessary to do more background research on the consequences of such a definition change before the UAA Committee acts.

The Committee is now addressing the situation, identified by Texas, of international auditors coming to do work in the US without having been registered with a State Board. Other topics being considered are the ethics of whistle blowing, a consistent title for retired CPAs, and the definition of independence. Mr. Hansen noted that the PEEC is focusing on "attest clients" not "attest engagements." He cautioned that the UAA Committee needs to match up its work with PEEC's.

18. Report of the Bylaws Committee

Bylaws Committee Chair Smith called Mr. Costello a "change agent," as NASBA has become more involved in issues as President Costello brought resources into the organization. He was the one who brought the idea of adding a profit-making subsidiary to NASBA.

The Bylaws Committee held numerous conference calls, about once every two weeks since the July 29, 2011 Board meeting. They reviewed a list of possible changes including:

- Decided not to go to direct election of Regional Directors by their Regions.
- Decided not to change the requirement that a majority of the Board of Directors must be currently serving on State Boards.
- Determined that if term limits are set on committee membership that should be in a NASBA policy manual, not in the Bylaws.

The Committee believes there are certain policies that should not be set in stone in the Bylaws, but should be in a policy manual, Ms. Smith said. Items for future consideration include whether the Nominating Committee should make recommendations when a vacancy in the Board is anticipated, a timeline for the nomination process, plus other policies identified by the states. Ms. Smith said the Bylaws Committee only has four members and more are required.

19. Report of the Compliance Assurance Committee

Compliance Assurance Committee Chair Gray said she would term Mr. Costello “a gentleman’s gentleman,” as he can become passionate about topics without being rude.

She asked the Board to consider the agenda and evaluations from the Peer Review Oversight Committee Conference held on August 16 in Charleston, SC. Ms. Gray said they had very good feedback from the participants.

Mr. Atkinson asked if there had been consideration of changing the Committee’s name to “Peer Review.” Ms. Gray said she had no problem with the current title as it differentiates it from other peer review bodies.

20. Report of the State Board Relevance and Effectiveness Committee

State Board Relevance and Effectiveness Committee Chair Glover said he thought “exuberant” and “passionate” were the right words to describe Mr. Costello and he thought NASBA should be grateful for that passion.

Mr. Glover reported his committee has developed two surveys: one to define just how close to being a semi-independent board each Board is and the other to consider the state society/state board relationship in each jurisdiction. He thanked Mike Barham, Mike Henderson, Ray Johnson and Rick Sweeney for their work on these surveys, as well as Mr. Barnicott and Ms. Haberman.

In addition, the committee is working on a communications template that each state could use as a printed piece to update and give to their legislators each year. Mr. Glover believes NASBA should have updated data on the Boards’ enforcement activities to support their relevance.

Chair Daggett observed that some Boards do not believe they have the resources to pull these kinds of statistics together.

21. Report of the Communications Committee

Communications Committee Chair Chickering reported the Committee had held breakout sessions at the Regional Meeting and will hold a breakfast for Communications Officers during the Annual Meeting. The Committee wants to share the information it has gathered and see how to work better with the states. He distributed a chart summarizing the results of the Communications Committee’s calls to the State Boards.

The Committee has been given an expanded charge for 2011-12. They are sending out letters to the Boards asking how they can be of assistance.

22. Report of the Committee on Relations with Member Boards

Committee on Relations with Member Boards Chair Odom said he had two words describing President Costello, “energy” and “fashion.” Mr. Costello brings energy into any group meeting he walks into, Mr. Odom explained.

He said it had been a great year working with the Regional Directors. He urged the Board members to pay attention to the Focus Question responses because they contain good information coming in from the Boards. He especially urged the Board members to look at

negative comments and see what has to be done. Several of the issues raised will be discussed at the Regional Breakfast Meetings to be held during the Annual Meeting.

23. Report of the CPA Examination and Administration Committee

Committee Chair Davenport reported the committee had not met this quarter. Acting on a suggestion from the Examination Review Board, the Committee plans to discuss how many times a person should be able to take the Uniform CPA Examination.

24. Report on the Accountancy Licensee Database

Mr. Sweeney reported the ALD is approaching a “critical mass” with the number of states signed on plus those that are ready to sign on but need IT assistance to do so. There are some technical issues with the public piece of the database, but that too is well on its way, Mr. Sweeney said. He encouraged all State Boards to become active participants in the ALD and use it in their day-to-day operations. CPAverify, the part available to the public, is to be launched on October 24, with 33 states participating, he said.

Mr. Bishop explained that whatever public discipline appears on a state’s Web site will appear on CPAverify. It will be updated as frequently as the state updates its own Web site and it will show no more or no less than what appears on the state’s site.

Chair Daggett said it would not hurt to remind licensees that the site is a benefit for them all. Mr. Bishop agreed that if a client wants to do due diligence prior to signing with a CPA, here is a site that can get that CPA on the engagement more quickly.

25. Report of the International Qualifications Appraisal Board

Ms. Smith reported NASBA/AICPA IQAB would be meeting on October 22. The mutual recognition agreement with the Hong Kong Institute of CPAs, as approved at the NASBA Board’s July meeting, will be formally signed at the Annual Meeting on October 24. IQAB has a number of task forces working, including one focused on whether MRAs should cover those who do not have audit rights in their home country, and one focused on distance learning, Ms. Smith said.

During the IQAB meeting there will be updates from the Canadian and Mexican Institutes on their mutual recognition agreements. IQAB will also hear about the progress being made to substitute the REG section of the Uniform CPA Examination for the IQEX and to offer the examination more than one month per year. AICPA has claimed such a conversion would cost \$200,000, but NASBA has disputed that figure.

26. Discussion of the FAF’s Proposal

Chair Daggett called for discussion of how NASBA should respond to the Financial Accounting Foundation Board of Trustees’ “Plan to Establish the Private Company Standards Improvement Council,” which had been released on October 4, 2011. President Costello explained the draft stopped far short of the creation of a separate board to set private company standards, and instead proposed a council chaired by an FASB member with oversight exercised

by the FAF. This would not be like the old PCFRC (Private Company Financial Reporting Committee), which presented recommendations that were never accepted by the FASB, Mr. Costello said. NASBA had sent out a press release supporting the FAF's process in coming to its recommendations.

Each Board member was asked by Chair Daggett for his or her opinion on what NASBA should do next. Following a lengthy discussion of possible actions, Mr. Glover made a motion to do the following, which was seconded by Mr. Lodden:

"Authorized the President and Chair to communicate to the Financial Accounting Foundation (FAF) the following:

- 1. The Board of Directors agrees with and commends the FAF process;*
- 2. Acknowledges the sovereignty of State Boards' independent actions and authority to fulfill their responsibilities pursuant to Sarbanes-Oxley Section 209, pertinent state laws and the 10th Amendment to the U.S. Constitution;*
- 3. Supports the conclusions of the FAF as exposed in its "Plan to Establish the Private Company Standards Improvement Council"; and*
- 4. Supports and intends to monitor the accountability measures contained therein to ensure the Improvement Council will accomplish its objectives."*

On a voice vote, with one vote opposed, no abstentions, and all others voting in favor of the resolution, the motion carried.

President Costello said the resolution would go out as a press release on October 26.

27. Report of the Nominating Committee

Nominating Committee Chair Atkinson praised President Costello for his vitality as a leader.

Should Mr. Hansen be elected to serve as Vice Chair, there will be a vacant seat on the NASBA Board to be filled for two more years, Chair Daggett said. Nominating Committee Chair Atkins said the Nominating Committee had determined it would not recommend a candidate for that spot, but would provide the Board with a list of those who agreed that they would like to be a candidate for the spot. The list included: O. Whitfield Broome (VA), Jim Goad (AR), Ted Long (OH), Martha Nommay (IN), Donnie Roland (GA), Leonard Sanchez (NM) and Michael Weinshel (CT). Mr. Atkinson said the Nominating Committee had expressed no opinion on any of these candidates.

28. Thanks to Retiring Board Members

Chair Daggett thanked Ms. Smith, Mr. Long and Mr. Atkinson for the impact they had on the Board over their terms in office. He thanked Mr. Sweeney for bringing the executive directors' viewpoints to the Board.

Mr. Daggett said it had been an honor and privilege to serve on the NASBA Board. He also praised the NASBA staff for their quality and assistance to him through the years. He then read all the Board members' words that had been used to describe President Costello. Mr. Allen added the word "magician."

President Costello said that working with NASBA had been a pleasure. He commended the Board for taking risks, and taking positions. He praised the Board members for separating friendship from determining whether an action is best for the public.

29. Future Meetings

The January 20, 2012 meeting of the NASBA Board of Directors will be held in Key West, Florida, Vice Chair Harris stated. He thanked Mr. Kenny and Lori Curd for arranging the coming year's meetings.

30. Adjournment

There being no new business, Chair Daggett adjourned the meeting at 5:10 p.m.

31. Special Meeting

Following the NASBA Annual Business Meeting on October 25, 2011 in Nashville, the newly elected members of the NASBA Board of Directors held a special meeting to fill the remaining two years of Mr. Hansen's three-year term as Director-at-Large. Theodore W. Long, Jr. (OH) was elected by the Board to fill Mr. Hansen's unexpired term.

The Board also elected at that time NASBA's 2011-12 Treasurer E. Kent Smoll (KS) and NASBA's Secretary Kenneth R. Odom (AL).

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY, INC.

Highlights of the Board of Directors Meeting

January 20, 2012 – Key West, FL

At a duly called meeting of the Board of Directors of the National Association of State Boards of Accountancy, Inc., held on Friday, January 20, 2012 at the Marriott Key West Beachside Hotel in Key West, FL, the Board took the following actions:

- Unanimously approved the Revisions to the Statement on Standards for Continuing Professional Education Programs as presented by CPE Committee Chair Telford Lodden (IA) with an implementation date of July 1, 2012 for group programs and independent study. For self-study programs already in existence as of December 31, 2011, the implementation date is March 1, 2014.
- Heard a report from Chair Mark Harris (LA) on a new vetting procedure for NASBA response letters to exposure drafts, which calls on the Regional Directors to review drafted letters, as requested by the CEO and Chair, prior to their submission. The procedure was developed by NASBA staff and approved by the Committee on Relations with Member Boards. Using this new process, the Regional Directors, on January 19, 2012, approved a letter to Congress in support of the “PCAOB Enforcement Transparency Act of 2011.”
- Heard a report from President Ken Bishop on the progress of transitioning, restructuring and reorganization since he acceded to the presidency on January 1. He discussed the increased focus on NASBA’s core mission of “enhancing the effectiveness of state boards.” Mr. Bishop described the refocusing as “the back to our roots initiative.”
- Learned from Executive Vice President Colleen Conrad that NASBA is launching two services: Candidate Performance Data Products and the Foreign Education Evaluation Service. Ms. Conrad also reported that 23 states are now fully participating in CPAVerify (the public portion of the Accountancy Licensee Database), with 64 percent of the states expected to be participating in CPAVerify shortly. Currently 35 states are participating in the ALD, 15 are committed to participate and another one is expected to be committed shortly.
- Received a report from Senior Vice President Michael Bryant on expenditures being made to consolidate NASBA’s Nashville office space, add conference space to NASBA’s New York City office, and build a library of materials for the Foreign Education Evaluation Service.
- Named President Bishop trustee for NASBA’s employee 401 K plan, replacing NASBA’s former President David Costello.

- Heard a report from Vice President Ed Barnicott on the broad-based strategic planning that will be implemented at NASBA. He explained that while the staff will be driving the process, the State Boards and other NASBA stakeholders in conjunction with NASBA staff will be establishing the strategic plan. Additionally, in his new role, Mr. Barnicott will be working to improve the coordination of committee activities and issue management processes.
- Received from Executive Directors Committee Chair Pamela Ives Hill (MO) the agenda for the 30th Annual Conference for Executive Directors, to be held March 11-14 in San Antonio, TX. The Board was also given the agenda for the March 11-13 Annual Legal Counsel Conference, to be held in San Antonio.
- Heard from Regulatory Response Committee Chair Richard Isserman (NY) that a letter commenting on the Public Company Accounting Oversight Board's Concept Release on Auditor Independence and Audit Firm Rotation had been submitted on December 14. Mr. Isserman reported that the Regulatory Response Committee had worked with the Ethics and Strategic Professional Issues Committee, chaired by Ray Johnson (OR), and staff on the development of a letter supporting the PCAOB Enforcement Transparency Act of 2011.
- Learned from Global Strategies Committee Chair Laurie Tish (WA) that NASBA's next International Accounting Regulators' Forum will be held in conjunction with the 2012 NASBA Annual Meeting in Orlando. The initial sessions of the Forum will be the Wednesday morning sessions of the Annual Meeting, similar to the first Forum that was held in conjunction with NASBA's 2008 Annual Meeting in Boston.
- Received an update from Uniform Accounting Act Committee Chair Carlos Johnson (OK) on Model Rule changes under consideration to cover non-U.S. auditors practicing in the states without the appropriate registration.

The next meeting of the NASBA Board of Directors will be held on April 26-27, 2012 in White Sulphur Springs, West Virginia.

Distribution:

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

Executive Summary
November 2, 2011 - January 5, 2012
Regional Directors' Focus Question Responses

29 State Boards Responding

1. NASBA is continuing its grant program for accounting research. Are there any research topics/areas of study that your Board would find particularly helpful?

Some topics mentioned: Study of 120/150 issue, emphasizing challenges encountered by candidates who were allowed to sit for exam prior to completing their education; Foreign accounting training; Quality of on-line courses offered by for-profit universities; What leads to audit failure, etc.

2. How does your Board find CPAs who are having operational compliance problems?

Complaints, clipping service, self-reporting, peer reviews, etc.

3. Does your Board regularly provide a written report to the state legislature and, if so, what information is contained in that report?

Common responses: 14 - Provide report to legislature; 5 - Provide report to Governor for additional distribution.

4. As there is regular rotation of State Accountancy Board members, how does your Board ensure consistency in the discipline it metes out to licensees over the years?

Common response: 11 - Depend on Legal Counsel and Executive Director.

5. How does your Board find investigators with the expertise needed to handle reviews of SEC disciplinary actions?

Common responses: 16 - Not frequently needed; Asks other Boards; Accepts SEC's findings; Places requests for proposals in newspapers.

6. Are there any concerns that you would like NASBA to address?

Some responses: Monitor international candidates; Assistance with legal matters and legislative issues; Continue work on mobility, etc.

See Regional Directors' Focus Question Report for details.

NASBA REGIONAL DIRECTORS' REPORT

The following is a summary of the written responses to focus questions gathered from the member boards by NASBA's Regional Directors between November 2, 2011 and January 5, 2012. Responses which indicated nothing to report have not been included in this summary.

Respectfully submitted,

*Telford ("Ted") A. Lodden (IA) – Chair, Committee on Relations with Member Boards,
Central Regional Director*

Jimmy E. Burkes (MS) – Southeast Regional Director

Jefferson Chickering (NH) – Northeast Regional Director

Miley ("Bucky") W. Glover (NC) – Middle Atlantic Regional Director

Janice L. Gray (OK) – Southwest Regional Director

Raymond Johnson (OR) – Pacific Regional Director

Kim Tredinnick (WI) – Great Lakes Regional Director

Karen Forrest Turner (CO) – Mountain Regional Director

1. NASBA is continuing its grant program for accounting research. Are there any research topics/areas of study that your Board would find particularly helpful?

Alabama – A study of the 120/150 issue with emphasis on states that let their candidates sit prior to completing their education and what challenges have their candidates encountered since sitting for the CPA Exam.

Arizona – What would constitute a good definition for the "practice of accounting" and the "practice of public accounting."

Colorado – Review foreign training and its equivalency to US education. It would be helpful to study accrediting bodies and research IFRS versus US GAAP.

Idaho – Looking into what leads to audit failures in today's business climate would be interesting ... And helpful for the profession to know.

Indiana – International exam candidates.

Kansas – A study on the quality of education provided on-line for-profit colleges and universities and the suggestions as to methods used to determine whether such on-line hours qualify.

Kentucky – (a) How the general public views the requirements associated with firm names. Does the public care about what names or words may be included in a firm name? (b) Should students be required to complete certain courses to satisfy the 150 hour requirement following the completion of their bachelor degree?

Nevada – The Board discussed the grant program and directed staff to contact the Universities to identify if they had any areas/topics of study that might be helpful. Information will be provided to NASBA following the responses received.

New Hampshire – New Hampshire would be interested in research regarding substantial equivalency and mobility.

Oklahoma – The Oklahoma Accountancy Board would like to see research regarding the efficacy of allowing individuals who have not yet graduated to sit for the CPA examination. This would apply to students who are within 12 to 15 hours of graduation and meeting the 150 hour requirement.

South Dakota – A suggested topic would be tracking candidate's location of education vs. the initial licensing state. A tracking of individuals to see if states are keeping their college graduates or is there a migration in the region or across the USA.

Tennessee – 1) What is the actual national compliance rate with CPE requirements? 2) Just how much more effective are state boards which are 'independent' from an umbrella agency? 3) What is the average salary for personnel of a state board of accountancy?

Texas – We would encourage greater research in the standardization of the education accreditation process.

Washington – (a) A benchmark study to determine the correlation between CPA Exam success rates as a result of foreign based education and vs CPA Exam success rates as a result of U.S. based education. (b) A predictive revenue model for state boards given assumptions based upon factors such as demographic changes, age, national residency, exam pass rates, existing population of credentialed persons, market demand, etc.

2. How does your Board find CPAs who are having operational compliance problems?

Alabama – Public complaints and Board Staff reviews.

Arizona – We're not sure we completely understand the wording of this question but problems are identified primarily through the receipt of complaints and through the administration of our peer review program.

Arkansas – We look for compliance issues mainly by subscribing to a clipping service, monitoring major newspapers and business journals within our state, and cross referencing certain information submitted by licensees with the records of the Arkansas State Contractors licensing board, which requires financial reports from contractors that have to be prepared by Arkansas CPAs. Our board also has a complaint submission form the public can access if they are seeing work product performance issues from CPAs. Finally all accounting firms in Arkansas are subject to Peer Review or our Quality Review program.

Colorado – The Board finds CPAs by either having the CPA self report the violation or via the filing of a complaint.

Georgia – The Board reacts to complaints submitted to them.

Idaho – Complaints filed with the Board; exchange of information from our Legislative Auditors Office, where governmental audit information is coordinated; the Peer Review program; Staff randomly pulling criminal records; requesting information in our newsletters and on our website.

Indiana – Within the past year, the Board has hired a compliance officer that works to identify unlicensed practice and compliance issues. We are working to develop ways to better monitor the actions of our licensees but do not have the funds or manpower to fully seek out these individuals at this time.

Kansas – We are a self-reporting state, so individual licensees and firms are required to notify the Board of any claims, lawsuits, etc., relating to the practice, relating to any action taken against any other professional license that they hold; any actions that involve their untimely filing of tax returns, or untimely payment of taxes collected on behalf of others. Of course, we learn of issues through other means such as complaints filed with the Board, newspaper articles, etc.

Kentucky – Either by complaints received from clients or the peer review process.

Louisiana – We are not certain precisely what is meant by “operational compliance problems.” The Board finds CPAs who are failing to follow rules, standards, and/or regulations through questions on renewal forms asked annually; complaints submitted by clients and the public; referrals from other agencies and regulators; peer review programs; audits of CPE; and, desk reviews of all submitted CPE reports.

Massachusetts – If they violate our rules or statute and someone complains, we conduct investigations and remedy the compliance issues.

Mississippi – The Board is proactive with monitoring firms’ peer review compliance and has an independent oversight body that oversees the peer review program. In addition, the Board has staff monitor CPE compliance. Peer review and CPE compliance are required in order to annually register a CPA license and CPA firm.

Missouri – Typically, we find CPAs who have operational compliance problems through the complaint process and when they enroll in a peer review program.

Montana – The Board’s Profession Monitoring Program (PMP) identifies those CPAs who are having operational compliance problems. Offices which perform attest work must submit their peer review results to our office or participate in the PMP by submitting one example of the highest level of report completed during the corresponding time period. A panel of professionals then reviews the submissions and notes problems. The Board then reviews the results and

decides what action is appropriate (CPE, pre-issuance review, etc.) for all those receiving a “not acceptable” rating.

Nevada – The Board usually identifies CPAs with operational compliance problems through the complaint and peer review process.

New Hampshire – No; however, the Board would be interested in having other government agencies such as the IRS share information with the Board.

New Mexico – Through complaints filed by clients.

North Carolina – The Board generally receives complaints from clients of the CPA or from a successor CPA who has taken over a client from the CPA whom is having operational compliance problems in his or her practice. We also use a clipping service which gives us daily articles on CPAs from over 70 newspapers in NC. We have developed working relationships with federal and state agencies such as the IRS, GAO, SEC, NC Departments of Revenue, Auditor, Secretary of State and Local Government Commission for complaints and referrals.

North Dakota – Mostly by way of complaints or peer review.

Ohio – We assume “operational compliance” means “compliance with laws and rules.” Complaints to the Accountancy Board of Ohio regarding violations of the accountancy law and rules are routinely processed from persons who have an issue with a public accounting firm’s services. Our statute permits the Board to take action against a CPA or public accounting firm for “dishonesty, fraud, or gross negligence in the practice of public accounting” or for “conduct discreditable to the public accounting profession.”

Oklahoma – The Board does continuous monitoring of continuing education with courtesy notification. Our registrant database captures continuing education reported during registration and queries are run to identify those out of compliance.

Registration compliance is done routinely through reporting or complaints. Our database is also utilized to ensure that all registrants register as required by Oklahoma law. Firm registration compliance is monitored continuously through research or complaints. Our database is also utilized to ensure that all registrants register as required by Oklahoma law. The Board receives complaints and information from the public, CPA’s, Federal agencies, and State agencies. Additionally, the staff reviews newspapers, professional and business publications to identify potential compliance issues.

Pennsylvania – There are several ways in which we receive complaints or find CPA’s who have had or are having compliance problems. Those include, but are not limited to: CPE renewals/audits of CPE, Board staff referral to our Professional Compliance Office, public sector complaints, submissions by SEC and PCAOB and the Bureau of Charities as well as other State Boards. The Bureau also uses a clipping service for all 29 different licensure Boards that are under the purview of the Bureau of Professional and Occupational Affairs, which includes the Pennsylvania State Board of Accountancy.

South Dakota – The Executive Director utilizes data supplied by Linda Biek’s staff with the quarterly enforcement report.

Tennessee – CPAs having operational compliance problems are identified through the complaint process.

Texas – Apart from Peer/Quality Review, the Texas State Board of Public Accountancy has an active “unlicensed of public accountancy” program. We have an ad hoc committee of CPAs throughout the state referring issues on unlicensed practice, limited scope, and we also conduct probation monitoring.

Washington – Assuming that the question means non-compliance with administrative compliance for continued credentialing: CPE Audit; Peer Review; 100% audit of Compliance with Ethics CPE through the OnLine Registration system; Firm Practice Field Reviews; Complaints from CPA Competitors and Clients about unauthorized Title Use.

Wisconsin – The Board is reactive vs. pro-active – complaints are filed with the department.

Wyoming – The Board responds to complaints filed with the Board, in response to actions taken in other jurisdictions, or to information obtained through the Peer Review program that might indicate issues regarding operational compliance problems.

3. Does your Board regularly provide a written report to the state legislature and, if so, what information is contained in that report?

NO: AL, GA, IN, KY, MA, ND, SD, TN

Arizona – There are various reporting requirements that the legislature has of state agencies. The common ones include annual budget requests, annual reporting on the number of full-time equivalent positions, and annual reporting on revenues associated with any on line credit card transactions.

Arkansas – We provided a written report for the first time this year. The report included the name of board members, a brief description of the function of the board, and a statement of activities that included the following information: number of board meetings held during the year, number of CPA exam applications received during the year, number of individual CPA licenses issued during the year, number of new firm licenses that were issued during the year, summary of investigations performed and closed during the year, summary of reports reviewed during our Quality Review process, summary of legislative changes made during the year, and updates on other operational activities.

Colorado – The Board does not directly provide a written report to the legislature; however, indirectly, the Division reports annually at the end of a fiscal year the following information by Board:

- Examinations Administered
- New Licenses Issued
- License Renewals
- License Reinstatements
- Active Licenses
- Complaints Received and Handled (includes on-jurisdictional complaints).
- Inspections completed (actual and estimates)
- Board Actions
 - Revocations – include voluntary surrender of license
 - Suspensions – include those actively served and summary suspensions and agreements to cease practice in lieu of suspension.
 - Revocations and Suspensions held in abeyance or stayed/suspended
 - Stipulations – which may or may not include probation
 - Letters of Admonition
 - Other Actions –include cease and desist orders, citations, and injunctions.
 - Dismissed
 - Dismissed with Letter of Concern
- Complaints investigated by the office of investigations
- Number of cases settled by the Office of expedited settlement.

Georgia – No.

Idaho – The Board does not directly provide the information to the Legislature. However, we annually generate a Strategic Plan and monitor our Performance Indicators. This information is reporter to the Governor’s Office, which in turn provides the information to the Legislature.

Illinois – Our Board provides an annual report to the Governor.

Indiana – No, but plan to look into submitting such report in the future.

Kansas – Yes. A historical report is filed with the agency’s budget each year, as well as statistical data relating to the Board’s goals and objectives, revenues and expenditures.

Kentucky – No.

Louisiana – Each year the Board submits its projected budget for the forthcoming fiscal year to the Legislature. The comprehensive budget forms also include explanations and narratives of the Board’s purpose and functions; its major objectives; anticipated developments; and data on agency performance including the number of investigations and their resolution.

Massachusetts – No, and none has been requested.

Mississippi – The Board must submit very detailed budget requests to the Legislature (and Governor) annually. Within that report there is significant information related to the Board mission, activities and performance data.

Missouri – A written report is given to the legislature via the Division of Professional Registrations report which is typically statistical information by Board.

Montana – In accordance with 37-1-106, MCA, “The department [Labor and Industry], in cooperation with each licensing board, shall prepare a biennial report. The biennial report of the department shall contain for each board a summary of the board’s activities, the board’s goals and objectives, a detailed breakdown of board revenues and expenditures, statistics illustrating board activities concerning licensing, summary of complaints received and their disposition, number of licenses revoked or suspended, legislative court action affecting the board, and any other information the department or board considers relevant. The department shall submit the report to the office of budget and program planning as a part of the information required by 17-7-111.” The office of budget and program planning then compiles this information with the information provided by other state agencies into a report for the legislature.

Nevada – The Board provides a written/on-line submission report to the State Legislature through quarterly reporting. The information provided quarterly includes licensee and firm population counts, all disciplinary action, and annual audited financial statements. The legislature is now also requiring the Board to report on specific fees charged, any changes to the fees, listing of capital assets and outstanding fees due to the Board.

New Hampshire – Yes, please see State statute listed below:

309-B:4 V. The board shall file an annual report of its activities with the governor, the president of the senate, and the speaker of the house of representatives. The report shall include a statement of all receipts and disbursements and a listing of all current licensees under this chapter.

New Mexico – The parent agency (the Regulation and Licensing Department) provides a report detailing licensure and performance measures for all of its professional licensing boards. Included in the report are the total number of licensees, the number of new licenses issued, the length of time to issue a license from receipt of a completed application, the length of time to issue a renewed license, the number of complaints received, the number of complaints resulting in discipline, the number of telephone calls and emails received, and the number of voice mail messages and email inquiries responded to within 24 hours.

North Carolina – Pursuant to North Carolina General Statute 93B-2(a)(b), all occupational licensing boards have to provide annually the two reports required in the statute. The Board submits its annual audit report to comply with the report required in (b).

North Dakota – No.

Ohio – We publish a report for the Legislative Service Commission every September. It contains basic information concerning Board operations, budget, and licenses issued. Much of the report is also contained in the Board’s annual report posted on our website. The link is: <http://acc.ohio.gov>. On the home page, go to the “General Links” section and select “Fiscal year 2011 Annual Report.”

Oklahoma – Yes, it is done during the annual budgeting process and the submission of our annual audit to Legislative leaders for their review and approval. Every five years the Board

provides a sunset report detailing Board activity. However, there is not a special or separate report prepared.

Pennsylvania – Yes. The Secretary of the Commonwealth provides to the Legislature a yearly report providing the prior year's goals and achievements and the goals and commitments going forward, including an update on the number of licenses for each of the 29 different licensure Boards.

Tennessee – Tennessee does not provide a written report to the state legislature.

Texas – In addition to the Annual Financial Report, we also report on a quarterly and annual basis on our self-directed, semi-independent status.

Washington – The Washington State Board is part of the Executive Branch of Government and reports directly to the Governor. A Boards and Commissions report is submitted annually to report the costs of Board meetings and other Board related financial activities for legislative analysis. An annual report signed by both the Board Chair and Executive Director is submitted to the Governor's office as required by RCW 18.04.045(6). That report is a summary of all agency activities during the year including revenue and expenditures, number of investigations, and disciplinary outcomes classified by Consent agreements or Board hearings with imposed actions.

Wisconsin – No written reports. The only time they are involved is when a constituent has concerns.

Wyoming – Not at this time, however, the Board has directed me to begin doing so in the future. Additionally, the Board has directed me to send copies of Board minutes and newsletters for legislators' information.

4. As there is regular rotation of State Accountancy Board members, how does your Board ensure consistency in the discipline it metes out to licensees over the years?

Alabama – Through counsel of long-time Executive Director (15+ years).

Arizona – The term of Board members is five years but the terms are staggered so the Board only receives one new Board member each year which helps with continuity. Additionally, Board staff and the Board's advisory committee members are relatively tenured and have a lot of institutional knowledge which helps with continuity. While the Board's advisory committee members have terms of five years, the members can serve additional terms so we have some very tenured members with 10-15 years of experience.

Arkansas – We have a compliance committee that consists of one board member, our investigator, executive director, and Attorney General Liaison. While the board member who sits on the compliance committee does change every few years, we maintain consistency because the other committee members do not turn over typically. Also the outgoing board member

serving on the compliance committee provides training to the incoming board member to help ensure consistency.

Colorado – The Board adopts policies and recently it adopted guidelines for the Division staff to follow.

Georgia – An effort is made to include newer Board members in disciplinary hearings.

Idaho – Our members each serve one five-year term, so one or two Board members rotate off each year. We rely on Executive Director and Legal Counsel institutional memory to advise the Board and Investigative Committee. We maintain historical records of all Board disciplinary actions to provide insight into past Board disciplinary actions.

Indiana – Cases that come in front of the Board are seen time and time again. When an unusual case comes before the Board, staff performs research into past decisions. Past litigation files are on hand to review.

Kansas – As Board members are staggered on a three-year basis, consistency is maintained by retention of Board members, advice of legal counsel and the Board's Executive Director.

Kentucky – Board members are provided information as to how similar cases were decided in the past.

Louisiana – Board members serve as Investigating Officers on investigations of complaints against CPAs, and they typically consult with the Board's investigative staff on the type of enforcement sanctions the Board has imposed on cases that have similar characteristics.

Massachusetts – Fortunately, we have members who have been members for more than one five-year term. Otherwise, the case files are a record of this Board and our legal office monitors all discipline recommendations.

Mississippi – Board members are appointed by the Governor for five year terms on a rotating basis. Consistency among disciplinary cases is assisted by history maintained by the staff and attorneys. In addition, the Board receives reports and discusses open cases (with no identifying information) and closed cases at its Board meetings.

Missouri – The staff provide historical information regarding complaint discipline. In addition, we have standardized the discipline types of complaints if they meet a specific fact pattern. As you know, a complaint and the facts of the complaint do not always lend themselves to a cookie cutter approach to discipline.

Montana – The Board's legal counsel and staff are able to provide the Board with a historical overview of how certain issues have been handled in the past.

Nevada – The Board relies on the continuity of its Executive Director and Legal Counsel to assure that the disciplinary actions remain consistent with previous disciplinary actions, primarily making sure they stay within the authorized guidelines of the Statutes.

New Hampshire – Board members are statutorily limited to two five-year terms. The Board moved to the Joint Board effective 7/1/11. The Joint Board tracks all Board's complaints and outcomes via an in-house tracking system.

New Mexico – A spreadsheet has been developed that lists all of the enforcement cases for the past six years together with the administrative fines or other discipline that have been imposed. As most of the cases are for CPE non-compliance, the number of hours that each licensee lacks is also listed. This spreadsheet is updated continually and provided to Board members at each meeting to be used as a tool when discussing potential disciplinary measures.

North Carolina – The Board members are in a rotation so we never have a majority of the members being replaced at one time on the Board or the Professional Standards Committee. The Executive Director, Deputy Director, Staff Attorney and Manager of the Professional Standards have a total of 57 years of experience at the Board in the Professional Standards area. This experience with the expertise of the Board members appointed to the Professional Standards Committee ensures the consistency in the discipline recommended in all cases reviewed by the Professional Standards Committee of the Board.

North Dakota – We lose at most one member per year, or 20%. So there is 80% year-to-year continuity. Our staff also has lengthy tenure.

Ohio – We have an enforcement manual published on our website. Part of the enforcement manual is a list of possible sanctions for various violations. A list of past disciplinary actions is also posted on our website.

Oklahoma – The Oklahoma Accountancy Board Enforcement Committee strives diligently to maintain consistency in discipline actions. Recently, Oklahoma Accountancy Board Enforcement staff prepared a detailed history of enforcement actions for Board use in Enforcement cases in an attempt to put uniformity in the assessing of fines for same and similar violations.

Pennsylvania – Yes. The State Board of Accountancy has a four year term with a two term limit for each Board Member (public and professional). The Board uses historical data for consideration when discussing disciplinary or monetary action/fines against licensees and unlicensed individuals. The Board is advised by the Board Counsel on issues involving such matters. When there is a new Board Member added to the compliment, the Board Members discuss disciplinary actions in Executive Session during Board meetings to educate those new Board Members stating case history, ensuring that those penalties imposed reflect consistency through the years and through the change in personnel.

South Dakota – The Board has a guidance table to view for disciplinary action with CPE audits. As for hearings, each case is heard independently and discipline is taken based on the material presented and in accordance with disciplinary action available through statute SDCL 36-20B-40.

Tennessee – The Board members rely on staff to ensure that discipline is fairly consistent. Board members are also aware of their responsibility to educate newer members on issues which have already come before the Board. In addition, this Board has committed to going on a retreat every other year to address issues of this nature.

Texas – Five members rotate off every two years insuring that consistency is maintained.

Washington – The nine (9) Washington Board members generally serve (on a staggered basis) for three consecutive 3-year terms. Characteristically, no more than two are replaced in any period. Therefore, the Board members generally have a long-term orientation that promotes consistency for common circumstances.

The Board has also authorized the Executive Director to issue Board approved specific Administrative Monetary Sanctions for enumerated first time non-compliance by registrants with specific administrative continuing credentialing requirements, CPE, Peer Review, etc. This promotes consistency with respect to first time administrative compliance violations.

Board Policy 2004-1, Sanction and Penalty Guidelines, suggests that a menu of mitigators must be considered in all matters submitted for Board disciplinary matters thereby permitting different levels of disciplinary outcomes under different circumstances for seemingly similar violations. The mitigators are to be identified during the initial phases of an investigation, e.g. respondent's age, health condition, years in practice, remorse, cooperation, etc. Therefore, "fair and equitable resolutions" supersede strict consistency. The policy can be located at cpaboard.wa.gov under the Resources tab.

The Executive Director is now in process of developing a matrix of historical disciplinary actions for each type of violation that is intended to accompany requests for concurrence on the terms of proposed consent agreements or use as benchmarks for use in requested Board hearings.

Wisconsin – 1) Tenured Board; 2) Department staff has prior Board orders; 3) Institutional knowledge.

Wyoming – Consistency of disciplinary actions is ensured through the institutional knowledge of the Board's prosecutorial attorney assigned by the Office of Attorney General as well as the Executive Director employed by the Board. Additionally, research using past meeting minutes and Board newsletters can serve to inform decisions to achieve consistency.

5. How does your Board find investigators with the expertise needed to handle reviews of SEC disciplinary actions?

Alabama- Board has staff investigator and Executive Director to handle such matters.

Arizona – Approximately every five years, the Board does a request for proposal (procurement) to invite proposals from firms or individuals to provide tax and/or accounting and auditing

investigator services on a “as required” or contracted basis. In evaluating the proposals and selecting vendors, the evaluation team tries to find a cross section of experience in tax, auditing and accounting, forensic accounting and various areas of specialization (e.g., SEC, HUD, Employment Benefit Plans, Non-Profits, HOAs, Trust and Estates, Governmental). The goal of the procurement process is so select enough investigators that have the requisite experience to handle the variety and breadth and depth of complaints received by the Board.

Arkansas – We have not had a need for this type of expertise in the past. If the need arose we would probably hire outside experts to assist us with these types of issues.

Colorado – The Board in some instances relies on specific Board member networks to find specific names of people who have expertise and the Board may maintain a list of experts previously utilized.

Georgia – We are subject to the investigations performed by the Secretary of State’s licensing division. None of these investigators have SEC accounting experience to our knowledge. There is a provision for hiring an “expert,” however, the fee for this is much below market.

Idaho – Idaho has not had to use an investigator for this type of a complaint.

Indiana – Not Applicable. The Office of the Attorney General investigates all complaints.

Kansas – We have an investigator on contract that has experience and knowledge in that field.

Kentucky – We have not had the need for that type of investigator.

Louisiana – This issue has not presented itself. If Board members and staff would be unaware of who may have the requisite expertise for the nature of an SEC referral, it is likely we would consult with the State Society of CPAs or NASBA for references of professionals with the appropriate background.

Massachusetts – We have none, nor do we have a CPA investigator. We also have found that the SEC does not cooperate in helping support any investigation. So fortunately, we have had no cases sent here. If we had they could not be settled by the CPA agreeing to the settlement by neither “admitting nor denying guilt” in the matter. We have to prove guilt so the lack of active support for allegations of violations of our rules or statute by the SEC prevents a lot of investigations from proceeding. We were once told that the case work papers were in the Utah office of the SEC, and we could fly out there to review them but could not copy or otherwise use the evidence and that no SEC staff could cooperate in our investigation. Needless to say this lack of support of case evidence hinders any investigations! Perhaps NASBA can investigate this lack of mutual support on case investigations and SEC referrals.

Mississippi – This has not been a problem with the Board’s disciplinary cases.

Missouri – We have CPA experts on contract and may use them if a complaint is outside the Board’s expertise.

Montana – N/A – The department assigns investigators from the “pool” of investigators it has for all boards.

Nevada – Usually when the Board receives an SEC disciplinary action, additional investigation is not needed. The Board conducts a hearing and the disciplinary action from the hearing is based on the SEC’s disciplinary decision. Additional investigation is not warranted outside the SEC ruling documents. However if an investigation were needed, the Board utilizes the past or current Board members with expertise in SEC matters.

New Hampshire – The Board has never had an SEC disciplinary action.

New Mexico – This has not been an issue in New Mexico. Should such an issue ever arise, however, each case would be dealt with on an individual basis.

North Carolina – The Executive Director, Deputy Director and Staff Attorney review all SEC disciplinary actions referred to the Board. The Professional Standards Committee of the Board is presented the SEC information in each case with a recommendation from the staff. This recommendation is generally based on the discipline that has been recommended by the SEC and its investigators whom have more expertise in this area than the Board staff.

North Dakota – They are rare in this state, but we could look to the boards of other states, the networks of board members, etc.

Ohio – The Assistant Director is a CPA, but the question seems to imply that an accountancy board will be reviewing the technical details of the SEC infractions. The Ohio Supreme Court has ruled the Accountancy Board of Ohio may discipline an Ohio CPA for being sanctioned by another state or federal agency. We do not “retry the case” and attempt to second-guess the SEC, IRS, Labor Department, Auditor of State, or any other agency that has already conducted a review or investigation and come to a determination resulting in a sanction against an Ohio CPA.

Oklahoma – We have obtained assistance from other State Boards of Accountancy to find the expertise needed. In the past the Board has had difficulty finding investigators experienced in SEC investigations. Networking with other State Boards has been helpful in identifying prospective investigators.

Pennsylvania - The Board has not had to utilize the outside experts and currently rely on the Board Members’ expertise in these areas.

South Dakota – South Dakota has not had an SEC company disciplinary action.

Tennessee – Tennessee does not have many SEC disciplinary actions. Our investigators will use whatever resources are necessary to complete their research and then make a recommendation to the staff attorney and the Executive Director. We have used the members of the Peer Review Oversight Committee to assist in investigations in the past when the Investigator needed additional expertise.

Texas – The Board has issued Requests for Proposals in newspapers; the Texas Register and other publications. We have also sought recommendations from others that we know and trust that are in the industry.

Washington – The Board consists of members eminently qualified to evaluate the evidence provided by the investigative staff. A qualified consulting Board member is assigned a strategic planning and evidentiary evaluation role early in and throughout the investigation of an SEC disciplinary action. Subject matter experts may be engaged, if necessary.

Wisconsin – There have been no SEC actions in a long time. We have minimal cases that require any specific expertise. First choice is to seek out a Board member with expertise required.

Wyoming – There have been no recent SEC disciplinary actions which the Board has needed to investigate. At the time that occurs, the Board would act appropriately and secure investigative expertise, as needed.

6. Are there any concerns that you would like NASBA to address?

Arizona – CPAmobility.org - We would like to ensure that the CPAmobility.org tool is not so simplistic that NASBA and the AICPA overlook an aspect that might put a CPA in harm's way. The tool as it currently exists is too broad and can be misleading if a CPA only looks at CPAMobility and does not further investigate an individual state's mobility requirements. There may be other state requirements that a CPA must consider before determining that they qualify and before exercising his/her mobility privilege in our state. For instance, one simple example in Arizona requires that the CPA not be the subject of a suspension, relinquishment or revocation of a certificate.

CPA Verify - Currently, not all states provide data with the same method (hashing) to the Accounting Licensing Database or in turn to CPA Verify. Since the data is provided differently, the records can't be matched properly. As a result, it might return a result where two records are matched and one record is not and stands alone while all three records are about the same CPA. The consumer who uses the website will not know to look at all records of the same name to dig further to find a separate common characteristic (e.g., address) because they are expecting that the goal of the tool is to provide the match. As a result, they might not look at a complete set of information and therefore may make an uninformed or ill informed decision. Such a result could lead to harm the public which is the opposite intention of the tool which is to help protect the public.

Colorado – The Colorado Board would appreciate help in the overall area of CPE from the CPE providers, tracking and auditing CPE.

The Board would appreciate help in evaluating foreign education.

Georgia – We need assistance in preserving the integrity of the Board of Accountancy during this financial recession.

Indiana – The Board would like to know how NASBA plans to help the state boards monitor candidates taking the exam internationally.

Massachusetts – Consistency and accuracy in the NASBA Web site Mobility information, which remains unanswered.

Montana – One-tiered vs. two-tiered systems. Expansion of Examination being administered internationally.

Oklahoma – It would be helpful for NASBA to develop a pool of experienced SEC investigators for States to draw upon in this specialized field of investigation by region.

A recent incident at the Oklahoma City testing center raised several issues. Included in this incident was the appearance of Prometric's slow notification of candidates when the test site was closed and failure to notify candidates of availability of testing in December. Should NASBA have been more vocal and helpful or was this simply a Prometric issue? What are the policies in place when a test center goes down?

The Oklahoma Accountancy Board has a concern regarding the ability of Prometric facilities to handle the RTPN test required by the IRS in the coming year while still accommodating the CPA exams as well as other testing currently offered. Reportedly the influx of potential RTPN individuals testing initially may exceed 800,000.

Texas – To elevate the profession to the next level, we believe that NASBA should begin the debate to establish "Accounting Schools" in the same mode as "Medical Schools" and "Law Schools."

Washington –

- a) Accelerated efforts on the foreign firm licensing issue, e.g. MRA for firms.
- b) Guidance or research on the quality (listing or ranking) of foreign educational institutions.
- a) Identify primary reasons why "licensees" fail to obtain the required CPE and means to resolve that issue. (The Washington Legislature has already made inquiry to WBOA about how and to what extent we monitor CPE given the recent publicity by New Jersey.)
- b) Identify appropriate means to obtain consistency among states for:
 - i. State Ethics CPE requirements, and
 - ii. Not permitting "unpaid fees" as a basis for licensees to withhold requested client records. (31 states now prohibit unpaid fees to serve as a basis for withholding requested client records)

Wisconsin – Accreditation needed in each state.

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: PA

- ☐ **Input only from Executive Director: AR, IL, ND, NM, TN**
- ☐ **Input only from Board Chair and Executive Director: AL, IN, LA, NC, TX**
- ☐ **Input from all Board Members and Executive Director: AZ, CO, GA, ID, KS, KY, MO, MT, NH, NV, OK, SD, WI, WY**
- ☐ **Input from some Board Members and Executive Director: MS, WA**
- ☐ **Input from all Board Members**
- ☐ **Input from some Board Members: MA**
- Other (please explain):**
- ☐ **Input from all Board Members, Assistant Director and Executive Director: OH**

1.24.12

REGIONAL DIRECTORS' FOCUS QUESTIONS

The input received from our focus questions is reviewed by all members of NASBA's Board of Directors, committee chairs and executive staff and used to guide their actions. We encourage you to place the following questions early on the agenda of your next board meeting to allow for sufficient time for discussion. Please send your Board's responses to your Regional Director by April 4, 2012. Use additional sheets for your responses if needed.

JURISDICTION _____ DATE _____
NAME OF PERSON SUBMITTING FORM _____

1. (a) Valuation as practiced by CPAs is largely an unregulated practice. If a complaint were to be filed in this practice area, what body of standards would your Board look to?
(b) Are such standards directly mentioned in the Board's rules?

2. (a) What do your state's education rules specify as to acceptable university or college accrediting agencies? Many state education rules refer to accredited colleges or universities, and Article 5 of the UAA rules discusses *accreditation* in terms of levels. Some jurisdictions have indicated confusion about the meaning and level of accreditation along with differences in accrediting agencies. (b) Does your Board need more information on this subject?

3. The AICPA will be concluding its ethics codification soon, converging with the standards of the International Accounting Ethical Standards Board. In order to appropriately respond to the exposure draft of the new AICPA Ethics Codification it will be very helpful to understand the following issues:

- (a) Where is your state's code of professional conduct, in rules or in statute?
(b) Does your state's code of professional conduct adopt rules as of a specific point in time? If yes, how often do you update your rules for changes in the AICPA Code of Professional Conduct?
(c) Does your Board currently have plans for reviewing the new AICPA codification of the Code when it is exposed later this year? How will your state incorporate changes made in the AICPA codification of the Code into your rules/statute?

JURISDICTION _____ DATE _____

NAME OF PERSON SUBMITTING FORM _____

4. What disciplinary actions taken by the Internal Revenue Service would trigger self reporting and/or opening a case in your state?

5. What is happening in your jurisdiction that is important for other State Boards and NASBA to know? Are there any issues with which NASBA can help your Board?

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

- ☐ **Input only from Board Chair**
- ☐ **Input only from Executive Director**
- ☐ **Input only from Board Chair and Executive Director**
- ☐ **Input from all Board Members and Executive Director**
- ☐ **Input from some Board Members and Executive Director**
- ☐ **Input from all Board Members**
- ☐ **Input from some Board Members**

Other (please explain):

1/29/12



NASBA

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY



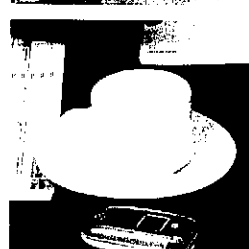
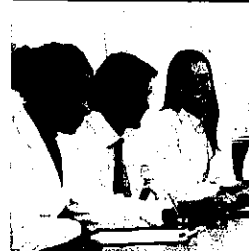
CANDIDATE CONCERNS IIQ4

CANDIDATE CARE DEPARTMENT

OCTOBER 01-NOVEMBER 30, 2011

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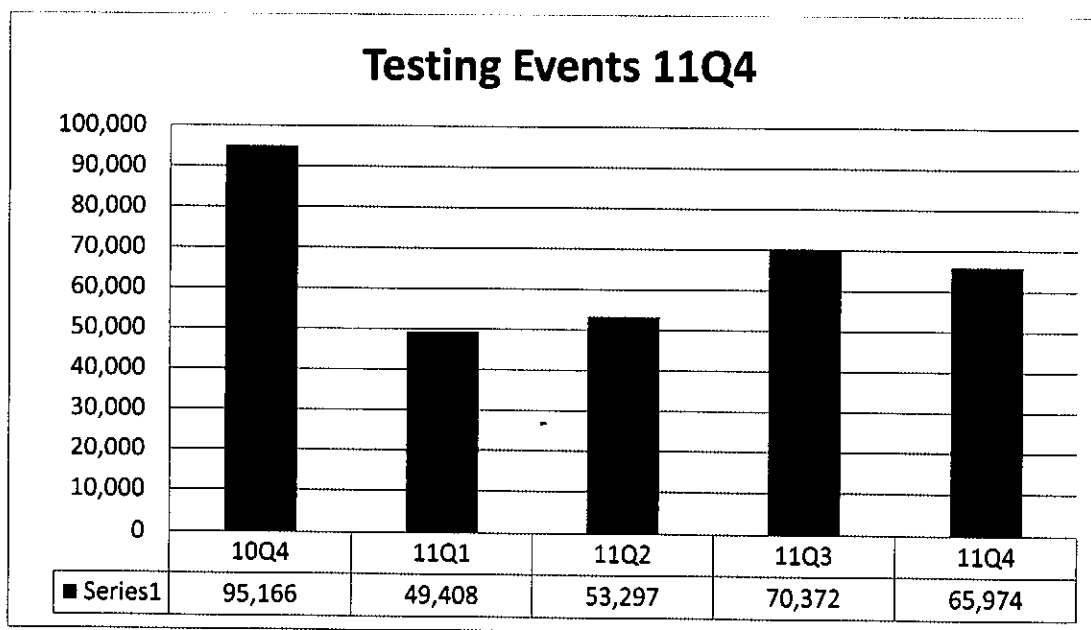


**CANDIDATE CARE DEPARTMENT
CANDIDATE CONCERNS**

11Q4

OCTOBER 31-NOVEMBER 30, 2011

This report outlines the concerns presented by CPA candidates to NASBA's Candidate Care Department during the fourth testing window of 2011.



Research Capability:

On October 1, 2011 at the start of the testing window, a software issue was immediately identified that had an impact on a small number of test centers. The issue prevented candidates from using the search capability in the research item. The cause of the issue, an updated version of Prometric software that had been deployed to those centers, was quickly identified by a joint team from Prometric and the AICPA. Prometric took immediate action to minimize the impact on candidates by removing the software. The roll-back of the software was completed within a few days.

It was determined that approximately 240 candidates were potentially affected. NASBA and Prometric worked together to ensure that these candidates were contacted and rescheduled if they had been unable to finish their examinations or reported an unfair testing experience. When appropriate the NTs were extended by NASBA.

Candidates were also identified by jurisdiction and the affected Boards of Accountancy were sent lists of their candidates who had been impacted.

Inclement Weather:

At the end of October the northeast was hit by an early snow storm which closed many testing centers and made conditions unsafe for candidates to travel.

Candidates affected by these conditions were treated on a case by case basis. Those where the testing center had been closed were contacted by Prometric's Outbound Team and rescheduled. If an NTS extension was necessary they were referred to NASBA. Those who reported they were unable to travel, but the test center remained open, were asked to submit weather or road reports of the conditions in their areas. Validated reports were then cleared by Prometric so that the candidates could reschedule. As this was only half-way through the testing window, most still were able to test within the allotted time before the window closed.

Load Time:

As in past windows, since the introduction of the CBT-e examination, candidates who experienced difficulty in moving from one question to the next or excessive load time in the simulations were investigated by the AICPA and given the option of receiving their score or a free retest. It is anticipated that this issue will improve in January 2012 when new software and hardware updates are implemented.

Score Release:

Starting with the 11Q4 testing window the AICPA announced that scores would be reported with more predictability and frequency than the pre-CBT-e score release schedule. Under this improved score release schedule, examination scores would be released to NASBA following the first month of testing in a window; with subsequent score releases every two weeks for the remainder of the window.

The details of the score release dates were posted on the AICPA and NASBA websites. Also posted was additional information that some of the scores for the BEC section might be released in a subsequent release due to the scoring of the written communication tasks.

This improvement greatly reduced the calls and emails from candidates anxious about when to expect receipt of their scores.

Guam Customer Support Center:

The newly established Guam Customer Support Center finished the year with approximately 9800 calls completed. They resolved 776 reported candidate issues by coordinating with

NASBA Managers, Coordinators and Administrators. Administration has taken measures to ensure the quality of CSR responses by monitoring call samples each week and continuing with staff training.

This new service has added greatly to the availability of support for all candidates.

Conclusion:

As always NASBA's Candidate Care Department appreciates the opportunity to assist your candidates. We continue to provide an understanding, empathetic approach to remedy their concerns.

We welcome any comments, suggestions or questions you may have. Please contact our Department at any time at candidatecare@nasba.org or Penny Vernon at pvernon@nasba.org, 615-880-4209.

Summary of Candidate Concerns:

Candidate Concerns: Categories and Totals				
Window	11Q1	11Q2	11Q3	11Q4
Category				
AICPA & Test Content	10	11	16	9
Calculator	0	0	0	0
Candidate Error	81	71	76	55
Confirmation of Attendance	78	102	136	109
Delay/Time Loss	65	76	122	110
Environment	79	0	237	33
International Exam	249	538	407	321
Japan Crisis	60	63	4	0
Other	5	7	8	0
Prometric Scheduling Issues	9	38	20	22
Prometric Site Issues	16	28	34	43
Technical	65	120	72	110
Total	732	1,061	1,132	812
Coordinator followup	84	78	124	137
CPAES & NCD	101	96	122	104
TOTAL	917	1,235	1,378	1053
Total Testing Events	49,408	53,297	70,372	65,974

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