

Meeting Agenda
SOUTH DAKOTA BOARD OF ACCOUNTANCY

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

April 26, 2023, 2:30 p.m. (CDT)

A=Action
D=Discussion
I=Information

A. Call to Order.....	Budahl
B. Public Comment.....	Oratory
C. A-Approval of Minutes of Meeting March 22, 2023.....	2-3
D. A-Approval of Certificates.....	4
E. A-Approval of Financial Statements through March 2023.....	5-15
F. A-Report to Board on Grades.....	16-17
G. A-Executive Director's Report.....	18-19
H. 3:00 Hearing for Bruce Hanson.....	20-23

EXECUTIVE SESSION pursuant to SDCL 1-25-2

I. Equivalent Reviews and follow-up for Board Approval.....	Spt. Pkt.
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FUTURE MEETING DATES (all times CDT)

- J. Meeting Dates
June 12 – 8:30 a.m. Zoom Meeting
- K. Adjournment

Meeting Minutes
SOUTH DAKOTA BOARD OF ACCOUNTANCY
Meeting Via Zoom
March 22, 2023 8:30 a.m. CDT

Chair Deidre Budahl called the meeting to order at 8:31 a.m. A quorum was present.

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

Member Absent: Jeff Smith

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

Chair Budahl asked if there were any additions to the agenda:
Certificates

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

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

Strand made a motion to approve the January 31, 2023, meeting minutes. Engelhart seconded the motion. **MOTION PASSED.**

Kim Walsh joined the meeting at 8:33.

Tolsma made a motion to approve the issuance of certificates and firm permits through March 20, 2023. Olson seconded the motion. **MOTION PASSED.**

Strand made a motion to approve the financial statements through February 2023. Olson seconded the motion. **MOTION PASSED.**

The Board discussed the NASBA eastern regional conference being held in Savannah, GA on May 31-June 2, 2023 and the NASBA western regional conference being held in Kansas City, MO June 27-29, 2023.

Tolsma made a motion to approve travel for the executive director and board members to attend the NASBA eastern regional conference being held in Savannah, GA on May 31-June 2, 2023 or the NASBA western regional conference being held in Kansas City, MO on June 27-29, 2023. Engelhart seconded the motion. **MOTION PASSED.**

Executive Director Kasin discussed her report on the status of CPE audits, NASBA committee interest, NASBA CPA evolution, and a recap of the NASBA executive directors conference.

Jerry McCabe discussed with the Board the new complaint and disciplinary procedures.

Kim Walsh left the meeting at 9:07.

The Board discussed the draft AICPA 8-point plan to address the CPA pipeline.

The Board discussed the NASBA board of directors minutes from October 28, 2022; board of directors minutes from November 1, 2022; board of directors meeting highlights January 20, 2023; October 2022 focus questions overview; and exposure draft on UAA model rules on conditional credit.

Olson made a motion at 9:47 a.m. to enter executive session for the deliberative process for peer reviews, a follow-up, consent agreements, and enforcement cases. Strand seconded the motion. **MOTION PASSED.**

The Board came out of executive session at 10:09 a.m.

Olson made a motion to accept the peer reviews as discussed in executive session. Engelhart seconded the motion. **MOTION PASSED.**

Strand made a motion to accept the follow-up as discussed in executive session. Tolsma seconded the motion. **MOTION PASSED.** (Olson abstained)

Tolsma made a motion to accept the consent agreements as discussed in executive session. Strand seconded the motion. **MOTION PASSED.**

Olson made a motion to dismiss case 111-23. Engelhart seconded the motion. **MOTION PASSED.**

Olson made a motion to grant executive director Kasin standing authority to dismiss cases pursuant to 36-1C. Strand seconded the motion. **MOTION PASSED.**


FUTURE MEETING DATES (all times CT)

April 26, 2023 – 2:30 p.m. Zoom meeting

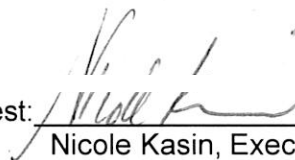
June 12, 2023 – 8:30 a.m. Zoom meeting

Olson made a motion to adjourn the meeting. Engelhart seconded the motion. **MOTION PASSED.**


All business having come before the board was concluded and Chair Deidre Budahl adjourned the meeting at 10:19 a.m.



Deidre Budahl, CPA, Chair

Attest: 

Nicole Kasin, Executive Director



Jay Tolsma, CPA, Sec/Treas

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES
BOARD COPY**

Issued Through April 19, 2023

Number	Name	Date Issued	Location
3629	Logan James Remmers	3/22/23	Sioux Falls, SD

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 03/31/2023

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	410,002.51	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			410,002.51	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			410,002.51	DR **	
BUDGET UNIT TOTAL 1031			410,002.51	DR ***	

STATE OF SOUTH DAKOTA
 MONTHLY EXPENDITURE REPORT
 FOR PERIOD ENDING: 03/31/2023

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPVL #, OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/ CR	
COMPANY NO		6503									
COMPANY NAME		PROFESSIONAL & LICENSING BOARDS									
6503	103100061802	51010100	CGEX230228	03/01/2023					3,349.58	DR	
6503	103100061802	51010100	CGEX230313	03/17/2023					3,767.03	DR	
6503	103100061802	51010100	CGEX230328	03/31/2023					3,439.34	DR	
OBJSUB: 5101010		F-T EMP SAL & WAGES								10,555.95	DR *
6503	103100061802	51010200	CGEX230228	03/01/2023					1,559.05	DR	
6503	103100061802	51010200	CGEX230313	03/17/2023					1,268.52	DR	
6503	103100061802	51010200	CGEX230328	03/31/2023					1,524.27	DR	
OBJSUB: 5101020		P-T/TEMP EMP SAL & WAGES								4,351.84	DR *
6503	103100061802	51010300	CGEX230228	03/01/2023					300.00	DR	
6503	103100061802	51010300	CGEX230328	03/31/2023					480.00	DR	
OBJSUB: 5101030		BOARD & COMM MBRS FEES								780.00	DR *
OBJECT: 5101		EMPLOYEE SALARIES								15,687.79	DR **
6503	103100061802	51020100	CGEX230228	03/01/2023					362.78	DR	
6503	103100061802	51020100	CGEX230313	03/17/2023					348.22	DR	
6503	103100061802	51020100	CGEX230328	03/31/2023					380.47	DR	
OBJSUB: 5102010		OASI-EMPLOYER'S SHARE								1,091.47	DR *
6503	103100061802	51020200	CGEX230228	03/01/2023					294.51	DR	
6503	103100061802	51020200	CGEX230313	03/17/2023					302.13	DR	
6503	103100061802	51020200	CGEX230328	03/31/2023					297.88	DR	
OBJSUB: 5102020		RETIREMENT-ER SHARE								894.52	DR *
6503	103100061802	51020600	CGEX230228	03/01/2023					851.59	DR	
6503	103100061802	51020600	CGEX230313	03/17/2023					896.63	DR	
6503	103100061802	51020600	CGEX230328	03/31/2023					861.30	DR	
OBJSUB: 5102060		HEALTH/LIFE INS.-ER SHARE								2,609.52	DR *
6503	103100061802	51020800	CGEX230228	03/01/2023					11.78	DR	
6503	103100061802	51020800	CGEX230313	03/17/2023					12.07	DR	
6503	103100061802	51020800	CGEX230328	03/31/2023					11.96	DR	
OBJSUB: 5102080		WORKER'S COMPENSATION								35.81	DR *
6503	103100061802	51020900	CGEX230228	03/01/2023					.64	DR	
6503	103100061802	51020900	CGEX230313	03/17/2023					.65	DR	
6503	103100061802	51020900	CGEX230328	03/31/2023					.72	DR	
OBJSUB: 5102090		UNEMPLOYMENT COMPENSATION								2.01	DR *
OBJECT: 5102		EMPLOYEE BENEFITS								4,633.33	DR **
GROUP: 51		PERSONAL SERVICES								20,321.12	DR ***
6503	103100061802	52032600	CGEX230314	03/15/2023	184700				801.80	DR	
OBJSUB: 5203260		AIR-COMM-OUT-OF-STATE								801.80	DR *
6503	103100061802	52032800	CGEX230314	03/15/2023	184700				22.99	DR	

STATE OF SOUTH DAKOTA
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 CENTER-5 10310 BOARD OF ACCOUNTANCY

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6503	103100061802	5203280 OTHER-PUBLIC-OUT-OF-STATE	CGEX230314	03/15/2023	184700				22.99	DR *
		52033000							1,266.48	DR
6503	103100061802	5203300 LODGING/OUT-OF-STATE	CGEX230314	03/15/2023	184700				1,266.48	DR *
									70.00	DR
6503	103100061802	5203320 INCIDENTALS-OUT-OF-STATE	CGEX230314	03/15/2023	184700				70.00	DR *
		52033500							102.00	DR
6503	103100061802	5203350 NON-TAXABLE MEALS/OUT-ST							102.00	DR *
		OBJECT: 5203 TRAVEL							2,263.27	DR **
6503	103100061802	52041800	DP302099	03/22/2023					633.30	DR
6503	103100061802	5204180 COMPUTER SERVICES-STATE	FM312073	03/29/2023					633.30	DR *
		52042000							911.31	DR
6503	103100061802	5204200 CENTRAL SERVICES	IN1031135	03/10/2023	02488249	ABBUSINESS	12036980		911.31	DR *
									80.99	DR
6503	103100061802	5204220 EQUIPMENT SERV & MAINT	23I004 JUL-JUN23	03/22/2023	014314	SUNSETOFFI	12627537		80.99	DR *
									159.84	DR
6503	103100061802	5204230 JANITORIAL & MAINT SERV	ACCOUNTRENT22-23	03/22/2023	017928	MCGINNISRO	12074040		159.84	DR *
			N9820738	03/08/2023	00842636	QUADIENTLE	12219369		1,380.75	DR
6503	103100061802	52045210							672.36	DR
6503	103100061802	5204521 REVENUE BOND LEASE PYMTS							2,053.11	DR *
		52045300	TL302150	03/08/2023					97.37	DR
6503	103100061802	52045300	8381416X02242023	03/17/2023	00058747	ATTMOBILIT	12279233		102.82	DR
6503	103100061802	5204530 TELECOMMUNICATIONS SRVCS	5159417006 0123	03/17/2023	02489213	XCELENERGY	12023853		200.19	DR *
									72.44	DR
6503	103100061802	5204540 ELECTRICITY	CI103A-020	03/22/2023	333111				72.44	DR *
									80.73	DR
6503	103100061802	5204740 BANK FEES AND CHARGES							80.73	DR *
		OBJECT: 5204 CONTRACTUAL SERVICES							4,191.91	DR **
6503	103100061802	52050200	0002289	03/17/2023	00844365	ECOWATERSY	12627232		25.35	DR
6503	103100061802	52050200	3651	03/10/2023	00842975	SIIOUXFALLS	12036365		23.50	DR
6503	103100061802	52050200	3707	03/24/2023	00845090	SIIOUXFALLS	12036365		12.75	DR
6503	103100061802	5205020 OFFICE SUPPLIES	16N3-CKPP-7431	03/24/2023	00845310	AMAZONCAPI	12603089		61.60	DR *
									29.89	DR
6503	103100061802	5205540 FINISHED SIGNS & DECALS							29.89	DR *
		OBJECT: 5205 SUPPLIES & MATERIALS							91.49	DR **
6503	103100061802	5228000	T103-119	03/08/2023					544.33	DR

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									544.33	DR *
									544.33	DR **
									7,091.00	DR ***
									27,412.12	DR ****
									27,412.12	DR *****
									27,412.12	DR *****

OBJSUB: 5228000 OPER TRANS OUT -NON BUDGT
 OBJECT: 5228 NONOP EXP/NONBGTD OP TR
 GROUP: 52 OPERATING EXPENSES
 COMP: 6503
 CNTR: 103100061802
 B. UNIT: 1031

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

	Mar 31, 23
ASSETS	
Current Assets	
Checking/Savings	
1130000 · Local Checking - Great Western	2,814.84
1140000 · Pool Cash State of SD	410,002.51
Total Checking/Savings	412,817.35
Other Current Assets	
1131000 · Interest Income Receivable	-6,549.82
1213000 · Investment Income Receivable	1,236.26
Total Other Current Assets	-5,313.56
Total Current Assets	407,503.79
Fixed Assets	
1670000 · Computer Software	
Original Cost	34,075.00
1770000 · Depreciation	-27,922.62
Total 1670000 · Computer Software	6,152.38
Total Fixed Assets	6,152.38
TOTAL ASSETS	413,656.17
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	7,361.51
Total Accounts Payable	7,361.51
Other Current Liabilities	
2430000 · Accrued Wages Payable	11,529.81
2810000 · Amounts Held for Others	26,552.03
Total Other Current Liabilities	38,081.84
Total Current Liabilities	45,443.35
Long Term Liabilities	
2960000 · Compensated Absences Payable	32,104.79
Total Long Term Liabilities	32,104.79
Total Liabilities	77,548.14
Equity	
3220000 · Net Position	311,672.36
3300100 · Invested In Capital Assets	6,152.66
3900 · Retained Earnings	-22,714.83
Net Income	40,997.84
Total Equity	336,108.03
TOTAL LIABILITIES & EQUITY	413,656.17

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July 2022 through March 2023

	Jul '22 - Mar 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,425.00	2,500.00	-1,075.00	57.0%
4293551 · Certificate Renewals-Active	64,820.00	62,500.00	2,320.00	103.7%
4293552 · Certificate Renewals-Inactive	18,450.00	19,500.00	-1,050.00	94.6%
4293553 · Certificate Renewals-Retired	1,760.00	1,500.00	260.00	117.3%
4293554 · Initial Firm Permits	600.00	700.00	-100.00	85.7%
4293555 · Firm Permit Renewals	14,300.00	14,500.00	-200.00	98.6%
4293557 · Initial Audit	330.00	900.00	-570.00	36.7%
4293558 · Re-Exam Audit	1,140.00	2,460.00	-1,320.00	46.3%
4293560 · Late Fees-Initial Certificate	250.00	0.00	250.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,750.00	3,000.00	-250.00	91.7%
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	350.00	500.00	-150.00	70.0%
4293564 · Late Fees-Peer Review	850.00	1,300.00	-450.00	65.4%
4293566 · Firm Permit Owners	122,650.00	109,000.00	13,650.00	112.5%
4293567 · Peer Review Admin Fee	1,050.00	5,500.00	-4,450.00	19.1%
4293568 · Firm Permit Name Change	125.00	100.00	25.00	125.0%
4293569 · Initial FAR	570.00	1,140.00	-570.00	50.0%
4293570 · Initial REG	240.00	660.00	-420.00	36.4%
4293571 · Inital BEC	330.00	930.00	-600.00	35.5%
4293572 · Re-Exam FAR	810.00	1,860.00	-1,050.00	43.5%
4293573 · Re-Exam REG	1,080.00	2,310.00	-1,230.00	46.8%
4293574 · Re-Exam BEC	990.00	2,310.00	-1,320.00	42.9%
4491000 · Interest and Dividend Revenue	4,114.97	9,500.00	-5,385.03	43.3%
4896021 · Legal Recovery Cost	1,000.00	1,000.00	0.00	100.0%
Total Income	239,984.97	243,670.00	-3,685.03	98.5%
Expense				
5101000 · Annual/Sick Leave Compensation	-8,281.67			
5101010 · F-T Emp Sal & Wages	52,300.07	82,212.00	-29,911.93	63.6%
5101020 · P-T/Temp Emp Sal & Wages	34,983.75	50,018.00	-15,034.25	69.9%
5101030 · Board & Comm Mbrs Fees	4,200.00	5,509.00	-1,309.00	76.2%
5102010 · OASI-Employer's Share	3,437.02	10,116.00	-6,678.98	34.0%
5102020 · Retirement-ER Share	5,232.34	7,934.00	-2,701.66	65.9%
5102060 · Health /Life Ins.-ER Share	18,068.50	25,433.00	-7,364.50	71.0%
5102080 · Worker's Compensation	209.43	198.00	11.43	105.8%
5102090 · Unemployment Insurance	11.46	132.00	-120.54	8.7%
5203010 · Auto--State Owned	183.60	250.00	-66.40	73.4%
5203020 · Auto-Private-Ownes Low Mileage	119.37	400.00	-280.63	29.8%
5203030 · In State-Auto- Priv. High Miles	528.36	1,500.00	-971.64	35.2%
5203100 · In State-Lodging	225.00	1,000.00	-775.00	22.5%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203140 · InState-Tax Meals Not Overnigt	42.00	100.00	-58.00	42.0%
5203150 · InState-Non-Tax Meals OverNight	194.00	400.00	-206.00	48.5%
5203230 · OS-Auto Private High Mileage	0.00	200.00	-200.00	0.0%
5203260 · OS-Air Commercial Carrier	3,807.90	7,000.00	-3,192.10	54.4%
5203280 · OS-Other Public Carrier	339.06	700.00	-360.94	48.4%
5203300 · OS-Lodging	4,811.46	9,000.00	-4,188.54	53.5%
5203320 · OS-Incidentals to Travel	224.00	500.00	-276.00	44.8%

South Dakota Board of Accountancy
Profit & Loss Budget vs. Actual
July 2022 through March 2023

	Jul '22 - Mar 23	Budget	\$ Over Budget	% of Budget
5203350 · OS-Non-Taxable Meals Overnight	556.00	1,000.00	-444.00	55.6%
5204010 · Subscriptions	902.75	1,300.00	-397.25	69.4%
5204020 · Dues and Membership Fees	3,200.00	3,900.00	-700.00	82.1%
5204030 · Legal Document Fees	0.00	300.00	-300.00	0.0%
5204040 · Consultant Fees-Accounting	3,900.00	3,700.00	200.00	105.4%
5204050 · Consultant Fees - Computer	17,777.79	25,000.00	-7,222.21	71.1%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	4,320.00	7,500.00	-3,180.00	57.6%
5204180 · Computer Services-State	3,379.80	6,000.00	-2,620.20	56.3%
5204181 · Computer Development Serv-State	77.18	2,000.00	-1,922.82	3.9%
5204200 · Central Services	6,052.98	9,000.00	-2,947.02	67.3%
5204220 · Equipment Service & Maintenance	42.34	300.00	-257.66	14.1%
5204230 · Janitorial/Maintenance Services	1,438.56	1,825.00	-386.44	78.8%
5204330 · Computer Software Lease	368.89	190.00	178.89	194.2%
5204340 · Computer Software Maintenance	0.00	1,000.00	-1,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	500.00	-500.00	0.0%
5204390 · Advertising-Brochures	0.00	0.00	0.00	0.0%
5204440 · Newsletter Publishing	0.00	100.00	-100.00	0.0%
5204460 · Equipment Rental	2,677.08	4,000.00	-1,322.92	66.9%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	12,426.75	16,569.00	-4,142.25	75.0%
5204510 · Rent-Other	0.00	500.00	-500.00	0.0%
5204530 · Telecommunications Services	2,435.11	5,500.00	-3,064.89	44.3%
5204540 · Electricity	468.67	900.00	-431.33	52.1%
5204560 · Water	95.40	240.00	-144.60	39.8%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,210.00	-1,210.00	0.0%
5204730 · Maintenance Contracts	0.00	0.00	0.00	0.0%
5204740 · Bank Fees and Charges	5,301.20	6,650.00	-1,348.80	79.7%
5204960 · Other Contractual Services	0.00	0.00	0.00	0.0%
5205020 · Office Supplies	631.70	3,000.00	-2,368.30	21.1%
5205028 · OFFICE SUPPLIES-2	0.00	0.00	0.00	0.0%
5205310 · Printing State	0.00	100.00	-100.00	0.0%
5205320 · Printing/Duplicating/Binding Co	116.80	500.00	-383.20	23.4%
5205330 · Supplemental Publications	0.00	700.00	-700.00	0.0%
5205340 · Microfilm Supplies/Materials	0.00	0.00	0.00	0.0%
5205350 · Postage	2,000.00	2,000.00	0.00	100.0%
5205700 · Retail Gasoline	39.75	0.00	39.75	100.0%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207491 · Telephone Equip	1,810.00			
5207900 · Computer Hardware	67.25	6,800.00	-6,732.75	1.0%
5207950 · System Development	0.00	1,000.00	-1,000.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	1,000.00	-1,000.00	0.0%
5228000 · Operating Transfers Out-NonBudg	4,006.14	8,300.00	-4,293.86	48.3%
5228030 · Depreciation Expense	4,259.34	5,679.12	-1,419.78	75.0%
Total Expense	198,987.13	331,565.12	-132,577.99	60.0%
Net Ordinary Income	40,997.84	-87,895.12	128,892.96	-46.6%
Net Income	40,997.84	-87,895.12	128,892.96	-46.6%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON

March 2023

	Mar 23	Mar 22	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	175.00	200.00	-25.00	-12.5%
4293551 · Certificate Renewals-Active	300.00	200.00	100.00	50.0%
4293554 · Initial Firm Permits	0.00	100.00	-100.00	-100.0%
4293557 · Initial Audit	60.00	30.00	30.00	100.0%
4293558 · Re-Exam Audit	120.00	90.00	30.00	33.3%
4293560 · Late Fees-Initial Certificate	100.00	0.00	100.00	100.0%
4293561 · Late Fees-Certificate Renewals	300.00	200.00	100.00	50.0%
4293564 · Late Fees-Peer Review	0.00	50.00	-50.00	-100.0%
4293566 · Firm Permit Owners	0.00	715.00	-715.00	-100.0%
4293569 · Initial FAR	120.00	150.00	-30.00	-20.0%
4293570 · Initial REG	180.00	30.00	150.00	500.0%
4293571 · Initial BEC	90.00	30.00	60.00	200.0%
4293572 · Re-Exam FAR	30.00	30.00	0.00	0.0%
4293573 · Re-Exam REG	180.00	90.00	90.00	100.0%
4293574 · Re-Exam BEC	150.00	120.00	30.00	25.0%
4491000 · Interest and Dividend Revenue	0.12	0.00	0.12	100.0%
4896021 · Legal Recovery Cost	1,000.00	0.00	1,000.00	100.0%
Total Income	2,805.12	2,035.00	770.12	37.8%
Expense				
5101010 · F-T Emp Sal & Wages	10,555.95	5,494.27	5,061.68	92.1%
5101020 · P-T/Temp Emp Sal & Wages	4,351.84	3,707.52	644.32	17.4%
5101030 · Board & Comm Mbrs Fees	780.00	0.00	780.00	100.0%
5102010 · OASI-Employer's Share	1,091.47	551.40	540.07	98.0%
5102020 · Retirement-ER Share	894.52	552.11	342.41	62.0%
5102060 · Health /Life Ins.-ER Share	2,609.52	2,491.31	118.21	4.7%
5102080 · Worker's Compensation	35.81	17.47	18.34	105.0%
5102090 · Unemployment Insurance	2.01	0.83	1.18	142.2%
5203260 · OS-Air Commercial Carrier	801.80	0.00	801.80	100.0%
5203280 · OS-Other Public Carrier	22.99	0.00	22.99	100.0%
5203300 · OS-Lodging	1,266.48	0.00	1,266.48	100.0%
5203320 · OS-Incidentals to Travel	70.00	0.00	70.00	100.0%
5203350 · OS-Non-Taxable Meals Overnight	102.00	0.00	102.00	100.0%
5204010 · Subscriptions	450.20	0.00	450.20	100.0%
5204160 · Workshop Registration Fees	0.00	755.00	-755.00	-100.0%
5204180 · Computer Services-State	0.00	528.30	-528.30	-100.0%
5204200 · Central Services	911.31	277.14	634.17	228.8%
5204220 · Equipment Service & Maintenance	1.99	2.46	-0.47	-19.1%
5204230 · Janitorial/Maintenance Services	159.84	145.31	14.53	10.0%
5204460 · Equipment Rental	79.00	79.00	0.00	0.0%
5204490 · Rents Privately Owned Property	1,380.75	1,380.75	0.00	0.0%
5204530 · Telecommunications Services	200.19	199.56	0.63	0.3%
5204540 · Electricity	0.00	69.17	-69.17	-100.0%
5204560 · Water	25.35	22.35	3.00	13.4%
5204740 · Bank Fees and Charges	80.73	70.23	10.50	15.0%
5205020 · Office Supplies	42.64	0.00	42.64	100.0%
5205320 · Printing/Duplicating/Binding Co	0.00	32.85	-32.85	-100.0%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
March 2023

	<u>Mar 23</u>	<u>Mar 22</u>	<u>\$ Change</u>	<u>% Change</u>
5228000 · Operating Transfers Out-NonBudg	544.33	638.71	-94.38	-14.8%
5228030 · Depreciation Expense	473.26	473.26	0.00	0.0%
Total Expense	<u>26,933.98</u>	<u>17,489.00</u>	<u>9,444.98</u>	<u>54.0%</u>
Net Ordinary Income	<u>-24,128.86</u>	<u>-15,454.00</u>	<u>-8,674.86</u>	<u>-56.1%</u>
Net Income	<u><u>-24,128.86</u></u>	<u><u>-15,454.00</u></u>	<u><u>-8,674.86</u></u>	<u><u>-56.1%</u></u>

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

	Jul '22 - Mar 23	Jul '21 - Mar 22	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,425.00	1,900.00	-475.00	-25.0%
4293551 · Certificate Renewals-Active	64,820.00	65,380.00	-560.00	-0.9%
4293552 · Certificate Renewals-Inactive	18,450.00	19,900.00	-1,450.00	-7.3%
4293553 · Certificate Renewals-Retired	1,760.00	1,610.00	150.00	9.3%
4293554 · Initial Firm Permits	600.00	650.00	-50.00	-7.7%
4293555 · Firm Permit Renewals	14,300.00	14,950.00	-650.00	-4.4%
4293557 · Initial Audit	330.00	330.00	0.00	0.0%
4293558 · Re-Exam Audit	1,140.00	1,096.12	43.88	4.0%
4293560 · Late Fees-Initial Certificate	250.00	100.00	150.00	150.0%
4293561 · Late Fees-Certificate Renewals	2,750.00	3,050.00	-300.00	-9.8%
4293563 · Late Fees-Firm Permit Renewals	350.00	650.00	-300.00	-46.2%
4293564 · Late Fees-Peer Review	850.00	1,000.00	-150.00	-15.0%
4293566 · Firm Permit Owners	122,650.00	130,095.00	-7,445.00	-5.7%
4293567 · Peer Review Admin Fee	1,050.00	600.00	450.00	75.0%
4293568 · Firm Permit Name Change	125.00	100.00	25.00	25.0%
4293569 · Initial FAR	570.00	780.00	-210.00	-26.9%
4293570 · Initial REG	240.00	390.00	-150.00	-38.5%
4293571 · Inital BEC	330.00	300.00	30.00	10.0%
4293572 · Re-Exam FAR	810.00	1,230.00	-420.00	-34.2%
4293573 · Re-Exam REG	1,080.00	1,200.00	-120.00	-10.0%
4293574 · Re-Exam BEC	990.00	900.00	90.00	10.0%
4491000 · Interest and Dividend Revenue	4,114.97	7,149.03	-3,034.06	-42.4%
4896021 · Legal Recovery Cost	1,000.00	3,651.89	-2,651.89	-72.6%
Total Income	239,984.97	257,012.04	-17,027.07	-6.6%
Expense				
5101000 · Annual/Sick Leave Compensation	-8,281.67	0.00	-8,281.67	-100.0%
5101010 · F-T Emp Sal & Wages	52,300.07	50,722.13	1,577.94	3.1%
5101020 · P-T/Temp Emp Sal & Wages	34,983.75	37,782.71	-2,798.96	-7.4%
5101030 · Board & Comm Mbrs Fees	4,200.00	3,360.00	840.00	25.0%
5102010 · OASI-Employer's Share	3,437.02	5,669.47	-2,232.45	-39.4%
5102020 · Retirement-ER Share	5,232.34	5,310.28	-77.94	-1.5%
5102060 · Health /Life Ins.-ER Share	18,068.50	22,542.14	-4,473.64	-19.9%
5102080 · Worker's Compensation	209.43	138.04	71.39	51.7%
5102090 · Unemployment Insurance	11.46	8.21	3.25	39.6%
5203010 · Auto--State Owned	183.60	0.00	183.60	100.0%
5203020 · Auto-Private-Ownes Low Mileage	119.37	141.22	-21.85	-15.5%
5203030 · In State-Auto- Priv. High Miles	528.36	687.96	-159.60	-23.2%
5203100 · In State-Lodging	225.00	169.00	56.00	33.1%
5203140 · InState-Tax Meals Not Overnigt	42.00	42.00	0.00	0.0%
5203150 · InState-Non-Tax Meals OverNight	194.00	94.00	100.00	106.4%
5203260 · OS-Air Commercial Carrier	3,807.90	0.00	3,807.90	100.0%
5203280 · OS-Other Public Carrier	339.06	0.00	339.06	100.0%
5203300 · OS-Lodging	4,811.46	0.00	4,811.46	100.0%
5203320 · OS-Incidental to Travel	224.00	0.00	224.00	100.0%
5203350 · OS-Non-Taxable Meals Overnight	556.00	0.00	556.00	100.0%
5204010 · Subscriptions	902.75	422.55	480.20	113.6%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204040 · Consultant Fees-Accounting	3,900.00	3,700.00	200.00	5.4%

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

	Jul '22 - Mar 23	Jul '21 - Mar 22	\$ Change	% Change
5204050 · Consultant Fees - Computer	17,777.79	16,614.75	1,163.04	7.0%
5204160 · Workshop Registration Fees	4,320.00	755.00	3,565.00	472.2%
5204180 · Computer Services-State	3,379.80	4,193.40	-813.60	-19.4%
5204181 · Computer Development Serv-State	77.18	162.50	-85.32	-52.5%
5204200 · Central Services	6,052.98	6,197.44	-144.46	-2.3%
5204220 · Equipment Service & Maintenance	42.34	41.30	1.04	2.5%
5204230 · Janitorial/Maintenance Services	1,438.56	1,307.79	130.77	10.0%
5204330 · Computer Software Lease	368.89	714.70	-345.81	-48.4%
5204460 · Equipment Rental	2,677.08	2,857.13	-180.05	-6.3%
5204490 · Rents Privately Owned Property	12,426.75	12,426.75	0.00	0.0%
5204530 · Telecommunications Services	2,435.11	1,783.44	651.67	36.5%
5204540 · Electricity	468.67	599.14	-130.47	-21.8%
5204560 · Water	95.40	111.75	-16.35	-14.6%
5204740 · Bank Fees and Charges	5,301.20	3,944.43	1,356.77	34.4%
5205020 · Office Supplies	631.70	563.45	68.25	12.1%
5205320 · Printing/Duplicating/Binding Co	116.80	171.55	-54.75	-31.9%
5205350 · Postage	2,000.00	0.00	2,000.00	100.0%
5205700 · Retail Gasoline	39.75	0.00	39.75	100.0%
5207491 · Telephone Equip	1,810.00	0.00	1,810.00	100.0%
5207900 · Computer Hardware	67.25	0.00	67.25	100.0%
5228000 · Operating Transfers Out-NonBudg	4,006.14	5,286.46	-1,280.32	-24.2%
5228030 · Depreciation Expense	4,259.34	4,259.34	0.00	0.0%
Total Expense	198,987.13	195,980.03	3,007.10	1.5%
Net Ordinary Income	40,997.84	61,032.01	-20,034.17	-32.8%
Net Income	40,997.84	61,032.01	-20,034.17	-32.8%

REPORT TO BOARD ON GRADES

Nicole Kasin

The grades were posted for review for the 76th window. These grades are through March 2023. I have included the average scores per school since CBT started along with the number of students that have sat for their school respectively. The last chart shows the averages for the past 8 windows.

Overall Average Window 1-76

Window	(All)
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Average of Score	Section				Grand Total
School	AUD	BEC	FAR	REG	Grand Total
Augie	76	75	74	75	75
BHSU	71	72	70	71	71
COTech	65	69	69	73	69
DSU	66	72	65	71	68
DWU	70	68	66	73	69
Mt. Marty	65	67	67	69	67
NAU	69	65	67	70	68
NSU	73	70	70	71	71
OS	74	74	71	73	73
SDSU	75	76	76	78	76
USD	76	76	73	74	75
USF	72	76	72	75	73
Grand Total	73	74	72	73	73

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

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

Count of Score	Section				Grand Total
School	AUD	BEC	FAR	REG	Grand Total
Augie	127	123	123	139	512
BHSU	155	152	148	140	595
COTech	23	21	14	14	72
DSU	40	33	36	30	139
DWU	40	31	34	29	134
Mt. Marty	26	29	20	20	95
NAU	16	23	27	25	91
NSU	118	143	104	123	488
OS	378	367	386	360	1491
SDSU	49	45	39	44	177
USD	398	390	403	383	1574
USF	129	106	117	98	450
Grand Total	1499	1463	1451	1405	5818

Average for past 8 windows (3 or more parts)

Window	(Multiple Items)
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Average of Score	Section				Grand Total
School	AUD	BEC	FAR	REG	Grand Total
Augie	80	87	79	80	81
BHSU	73	79	71	72	74
DSU	59	72	61	76	66
DWU	69	69	66	71	69
Mt. Marty			37		37
NSU	72	76	63	71	69
OS	71	79	73	77	75
SDSU			84		84
USD	74	81	71	75	75
USF	71	77	67	73	72
Grand Total	72	79	70	75	73

The Board needs to ratify the scores of the 2023-1 (76th Window) grades.

EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

Complaint Process

SDCL 36-1C is the complaint process. In statute there is authority to impose fines. This is a request for the board to grant authority to the Executive Director to impose fines under SDCL 36-1C.

SB76 (partial language provided) – Effective July 1, 2023

An Act to provide for licensure by endorsement for certain licensed professionals and occupations.

<https://sdlegislature.gov/Session/Bill/23942/250079>

36-1D-1. Notwithstanding any existing provisions related to licensure by endorsement or licensure by reciprocity in any applicable licensing statute, a licensing board or a department secretary, if the secretary is responsible for issuing the license, shall issue a license, certificate, registration, or permit to an applicant to allow practice in this state if, upon application to the licensing board, the applicant satisfies all of the following conditions:

- (1) Holds a current license, certificate, registration, or permit from another state, territory, or country and the licensing board determines that state's, territory's, or country's requirements are substantially equivalent to or exceed the requirements established in this state;
- (2) Demonstrates competency in the profession or occupation through methods determined by the licensing board or a department secretary, if the secretary is responsible for issuing the license;
- (3) Has not committed any act that constitutes grounds for refusal, suspension, or revocation of a license, certificate, registration, or permit to practice that profession or occupation in this state unless the licensing board determines, in its discretion, that the act should not be an impediment to the granting of a license, certificate, registration, or permit to practice in this state;
- (4) Is in good standing and has not been disciplined by the jurisdiction that issued the license, certificate, registration, or permit unless the licensing board determines, in its discretion, that the discipline should not be an impediment to the granting of a license, certificate, registration, or permit to practice in this state; and

- (5) Pays any fees established by the licensing board by rules promulgated pursuant to chapter 1-26.

36-1D-2. A licensing board or a department secretary, if the secretary is responsible for issuing the license, may issue a provisional license, certificate, registration, or permit to an applicant for licensure by endorsement while the applicant is satisfying remaining requirements for the licensure by endorsement as determined by the board. The holder of a provisional endorsement license issued under this section may practice until any of the following occurs:

- (1) A license, certificate, registration, or permit is denied by the licensing board under this section;
- (2) The expiration of the provisional endorsement license as established by the board by regulation; or
- (3) The holder of the provisional endorsement license fails to comply with the terms of the provisional license.

36-1D-3. Nothing in this chapter may be construed to override, supersede, or invalidate any compact or agreement already in place with regard to the regulation of any profession listed under § 36-1D-4.

NASBA Issues/Topics

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

Board Discussion

- Any New Business/topics?

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

IN THE MATTER OF:

NOTICE OF HEARING

BRUCE E. HANSON,
Licensee.

Case No. 106-23

Certificate No. 1319.

TO: BRUCE E. HANSON, PO Box 3, Elkton, SD 57026 via email only at hanson.bruce@yahoo.com.

PLEASE TAKE NOTICE that an administrative hearing in the above-captioned matter will be held before the South Dakota Department of Labor and Regulation, Board of Accountancy (Board) on **Wednesday, April 26, 2023 at 3:00 p.m. C.D.T.**, or as soon thereafter as the matter can be heard. The hearing will be held via **Zoom Conference Call**, which may be accessed by using the link below (for both video and audio):

<https://state-sd.zoom.us/j/7292571422?pwd=N2VaME9RSEZ1bHN6ZmxXZmpybGZhQT09>

Alternatively, the hearing may be joined via conference call (audio only), by using the following login information:

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

All parties and witnesses must be personally present on the Zoom Conference Call for the hearing unless otherwise authorized by the Board.

This hearing is being held pursuant to the legal authority and jurisdiction granted to the Board under SDCL Chapters 1-26, 36-1C, and 36-20B.

The purpose of this hearing will be to determine whether Bruce E. Hanson (Licensee) violated SDCL 36-20B-40(3) and (6) by failing to timely respond to the Board's audit of his continuing professional education and failing to provide complete documentation of his continuing professional education during his CPE audit.

Following the hearing, the Board shall issue findings of fact, conclusions of law, and a decision that may take such actions as are authorized by SDCL Chapters 1-26, 36-1C, and 36-20B, which may include, but are not limited to, issuance of an administrative fine, suspension of the license, and/or revocation of the license. Pursuant to SDCL 1-26-29.1,

should this proceeding result in discipline of Licensee, the Board may assess all or part of its actual expenses for this proceeding against Licensee.

This hearing is a contested case as that term is defined in SDCL 1-26-1(2). As such, this hearing is an adversarial proceeding. You have the right to be present at the hearing and to be represented by an attorney. These and other due process rights will be forfeited if they are not exercised at the hearing. If you intend to be represented by an attorney, please have your attorney contact the undersigned with their name, address, and contact information.

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

If the amount in controversy exceeds \$2,500 or if a property right may be terminated, a party to the contested case may require the Board to use the Office of Hearing Examiners by giving notice of the request to the Board no later than ten days after service of this notice of hearing.

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

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

Statutes and Rules involved in this hearing:

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

ARSD 20:75:04:14. Documentation required by CPA or PA.

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

ARSD 20:75:05:16. Communications from board.

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

SDCL 36-20B-40(3) and (6). Disciplinary action--Remedies available to board—Grounds.

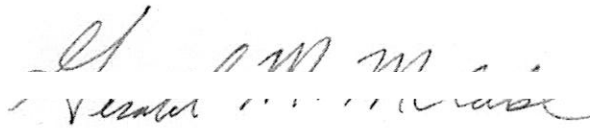
Facts that support the alleged violations of South Dakota law or rule:

1. Bruce E. Hanson (Licensee) is a certified public accountant with the South Dakota Board of Accountancy. Licensee has been certified since February 1, 1988 and his certificate number is 1319.

2. As a licensee of the Board, Licensee is required to report his continuing professional education (CPE) to the Board in accordance with Board requirements.
3. For the period commencing July 1, 2019 through June 30, 2020, Licensee reported 25.5 CPE hours.
4. For the period commencing July 1, 2020 through June 30, 2021, Licensee reported 41 CPE hours.
5. For the period commencing July 1, 2021 through June 30, 2022, Licensee reported 60.5 CPE hours.
6. On September 16, 2022, the Board office mailed to Licensee a letter notifying him that he was selected for a CPE audit for the three-year renewal period commencing July 1, 2019 through June 30, 2022. The letter informed Licensee that his deadline to submit documentation to verify his claimed CPE was October 31, 2022.
7. Licensee did not submit any CPE documentation to the Board office by October 31, 2022.
8. On November 4, 2022, the Board office mailed to Licensee a certified letter inquiring about his failure to submit the required CPE documentation for the audit. The letter also informed Licensee that he had 10 additional days to submit the requested documentation.
9. On December 20, 2022, the Board served a Formal Complaint upon Licensee by electronic mail, at which time the Board had not received any documentation from Licensee related to his CPE audit.
10. On January 31, 2023, Licensee sent an email to the Board office with appropriate documentation for 53.5 CPE hours for the reporting year ending June 30, 2022.
11. Licensee also provided inadequate documentation for 7 CPE hours for the reporting year ending June 30, 2022.
12. On February 22, 2023, Licensee was emailed a copy of a letter issued by the Board office outlining his failure of the CPE audit.
13. Based on the information provided by Licensee on January 31, 2023, the Board office determined that:
 - a. No documentation was provided for the reporting year ending June 30, 2020.
 - b. No documentation was provided for the reporting year ending June 30, 2021.
 - c. 53.5 hours of documentation was provided for the reporting year ending June 30, 2022.
14. For the three-year period ending June 30, 2020, Licensee has 102.5 CPE hours of the required 120 CPE hours.

15. For the three-year period ending June 30, 2021, Licensee has 80.5 CPE hours of the required 120 CPE hours.
16. For the three-year period ending June 30, 2022, Licensee provided appropriate documentation for 53.5 CPE hours of the required 120 CPE hours.
17. On March 1, 2023, the Board office served Licensee with an Amended Formal Complaint.
18. As of the date of this Notice of Hearing, Licensee has provided no response to the Amended Formal Complaint.

Dated this 22nd day of March 2023.



Gerald M. McCabe
Senior Staff Attorney
Department of Labor and Regulation
420 S. Roosevelt Street
Aberdeen, SD 57401
605-906-8919