

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

Zoom Meeting – Conference Call

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

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

May 5, 2021, 9:00 a.m. (CDT)

A=Action  
D=Discussion  
I=Information

A. Call to Order.....	Budahl
B. Public Comment.....	Oratory
C. A-Approval of Minutes of Meeting March 24, 2021.....	2-4
D. A-Approval of Certificates & Firm Permits.....	5-6
E. A-Approval of Financial Statements through March 2021.....	7-16
F. A-Report to Board on Grades.....	17-18
G. D-Executive Director's Report.....	19

**AICPA**

H. D-1Q21 BOE Meeting Highlights.....	20-22
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**EXECUTIVE SESSION**

I. Equivalent Reviews, Follow up, Consent Agreement, & FOF/COL/Order for Board Approval.....	Spt. Pkt.
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**FUTURE MEETING DATES (all times CT)**

- J. Meeting Dates  
June 16, 2021 – 9:00 Zoom Meeting
- K. Adjournment

**Meeting Minutes**  
**SOUTH DAKOTA BOARD OF ACCOUNTANCY**  
March 24, 2021 9:00 a.m. CDT

Chair Deidre Budahl called the meeting to order at 9:00 a.m. Nicole Kasin called the roll. A quorum was present.

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

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

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

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

Jeff Strand made a motion to approve the January 13, 2021 meeting minutes. Russell Olson seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

Jeff Smith made a motion to approve the issuance of certificates through March 17, 2021. Jeff Strand seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

Jeff Strand made a motion to approve the financial statements through February 2021. Jay Tolsma seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

The Board reviewed the report on the CPA exam grades for the 67th Window.

Russell Olson made a motion to ratify the CPA exam scores for the 67th window through December 2020. Jeff Strand seconded the motion. A roll call vote was taken. **MOTION PASSED** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

Executive Director Kasin discussed her report with an update on CPE Audits, NASBA committee interest for 2021-2022, NASBA remote testing/proctoring, the NASBA Regional meeting June 22-23, 2021, and NASBA CPA Evolution Model Rules.

The Board discussed the NASBA Board of Directors meeting minutes from October 30, 2020 and November 3, 2020; the Board of Directors Meeting Highlights from January 15, 2021; the Quarterly Focus Questions; and the Executive Summary and Responses October Focus questions.

**Hearing at 9:30 a.m. for Bruce Ashland**

Present were Board Chair Deidre Budahl, Vice Chair Jeff Strand, Secretary-Treasurer Jeff Smith, Board Members Jay Tolsma, Russell Olson, and David Pummel, Judge Catherine Williamson, Court Reporter Stacy Wiebesiek, Board Legal Counsel Graham Oey, Roger Tellinghuisen, attorney for licensee and Bruce Ashland. Others present were staff members Nicole Kasin, Executive Director; Julie Iverson, Sr. Secretary; Trista Burke, Secretary.

Board Legal Counsel Graham Oey presented the Board's case. Roger Tellinghuisen represented Bruce Ashland at the hearing and presented his case. The Board closed the hearing at 11:50 a.m.

David Pummel made a motion to enter executive session for the purpose of deliberation. Jeff Smith seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

The Board came out of executive session.

Deidre Budahl made a motion that the dates listed on the certificate of completions submitted by the licensee be considered to be the dates of attendance and/or completion of the CPE as required by board rule and law. Mr. Ashland's CPE hours will be reported based on the dates shown on the certificates of completion. In accordance with board policy, Mr. Ashland's hours will be adjusted to meet the minimum requirements of the fiscal year 2019 to 2021 renewal periods. Due to the violations of law, as listed in the Conclusions of Law, Mr. Ashland is Ordered to attend an additional 20 hours of CPE within the next 90 days; four (4) hours of the 20 CPE hours must be on the topic of Ethics and the Professional Code of Conduct. These 20 hours of CPE are in addition to any requirements for the current and upcoming fiscal years and should not be reported on the annual renewal form. The Board will conduct audits of Mr. Ashland's CPE credits for the next three (3) years. No extensions will be given to Mr. Ashland for completing his annual CPE for the next three (3) years. The Board has further Ordered an administrative fine of \$1,000.00 to Mr. Ashland as well as requiring payment of administrative costs of the contested hearing, as allowed by law. Jeff Strand seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea) Judge Catherine Williamson will prepare the findings of fact, conclusions of law and order.

Judge Catherine Williamson concluded the hearing at 12:52 p.m.

The Board discussed the Proposed Pilot of Remote Proctoring of CPA Exam.

Jay Tolsma made a motion to accept the scores from remote testing pilot of the CPA exam. Jeff Strand seconded the motion. A roll call vote was taken. **MOTION PASSED.** (Tolsma-yea; Olson-yea; Pummel-yea; Smith-yea; Strand-yea; Budahl-yea)

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

The Board came out of executive session.

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

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

May 5, 2021 – 9:00 a.m. Zoom meeting

June 16, 2021 – 9:00 a.m. Zoom meeting

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

All business having come before the board was concluded and Chair Deidre Budahl adjourned the meeting at 1:29 p.m.

Deidre Budahl  
Deidre Budahl, CPA, Chair

Nicole Kasin  
Attest: Nicole Kasin  
Nicole Kasin, Executive Director

Jeff Smith  
Jeff Smith, Sec/Treasurer

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES  
BOARD COPY**

**Issued Through April 28, 2021**

Number	Name	Date Issued	Location
3521	Kyle David Owens	3/29/21	Redfield, SD
3522	Bart Andrew Von Zastrow	4/12/21	Madison, WI
3523	Deontae James Thorn	4/16/21	Sioux Falls, SD
3524	Morgan Lea Fehrs	4/26/21	Sioux Falls, SD

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

**Issued Through  
April 28, 2021**

<b>Number</b>	<b>Name</b>	<b>Date Issued</b>	<b>Basis/Comments</b>
1758	Citrin Cooperman & Company, LLP New York, NY	04/23/21	New Firm

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	420,827.74	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			420,827.74	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			420,827.74	DR **	
BUDGET UNIT TOTAL 1031			420,827.74	DR ***	

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 03/31/2021

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV ABPVL # OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
COMPANY NO 6503										
COMPANY NAME PROFESSIONAL & LICENSING BOARDS										
6503	1031000061802	51010100	CGEXX210226	03/03/2021					2,802.37	DR
6503	1031000061802	51010100	CGEXX210311	03/17/2021					2,908.82	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES										
6503	103100061802	51010200	CGEXX210226	03/03/2021					5,711.19	DR
6503	103100061802	51010200	CGEXX210311	03/17/2021					1,994.36	DR
OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES										
OBJECT: 5101 EMPLOYEE SALARIES										
6503	103100061802	51020100	CGEXX210226	03/03/2021					9,419.49	DR
6503	103100061802	51020100	CGEXX210311	03/17/2021					299.48	DR
OBJSUB: 5102010 OAST-EMPLOYER'S SHARE										
6503	103100061802	51020200	CGEXX210226	03/03/2021					585.29	DR
6503	103100061802	51020200	CGEXX210311	03/17/2021					285.81	DR
OBJSUB: 5102020 RETIREMENT-ER SHARE										
6503	103100061802	51020600	CGEXX210226	03/03/2021					565.19	DR
6503	103100061802	51020600	CGEXX210311	03/17/2021					1,391.15	DR
OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE										
6503	103100061802	51020800	CGEXX210226	03/03/2021					1,405.65	DR
6503	103100061802	51020800	CGEXX210311	03/17/2021					2,796.80	DR
OBJSUB: 5102080 WORKER'S COMPENSATION										
6503	103100061802	51020900	CGEXX210226	03/03/2021					17.02	DR
6503	103100061802	51020900	CGEXX210311	03/17/2021					4.80	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION										
OBJECT: 5102 EMPLOYEE BENEFITS										
GROUP: 51 PERSONAL SERVICES										
6503	103100061802	52040400	20-1000-014	3398	03/03/2021	00707031	SDKCPAS		3,973.77	DR
OBJSUB: 5204040 ACCOUNTING CONSULTANT										
6503	103100061802	52041600	TR112013	04/02/2021					13,393.26	DR
OBJSUB: 5204160 WORKSHOP REGISTRATION FEE										
6503	103100061802	52041800	DP102097	03/12/2021					3,600.00	DR
OBJSUB: 5204180 COMPUTER SERVICES-STATE										
6503	103100061802	52042200	INB14064	03/17/2021	02387185	ABBUSINESS	12036980		100.00	DR
OBJSUB: 5204220 EQUIPMENT SERV & MAINT										
6503	103100061802	52042300	211006SEP-JUN21	03/17/2021	466618	SUNSETOFTI	12627537		583.80	DR
OBJSUB: 5204230 JANITORIAL & MAINT SERV										
6503	103100061802	52042300	211006SEP-JUN21	03/17/2021	466618	SUNSETOFTI	12627537		82.29	DR
6503	103100061802	52042300	211006SEP-JUN21	03/17/2021	466618	SUNSETOFTI	12627537		142.46	DR
6503	103100061802	52042300	211006SEP-JUN21	03/17/2021	466618	SUNSETOFTI	12627537		142.46	DR



STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 03/31/2021

AGENCY BUDGET CENTER-5	UNIT 10310	LABOR & REGULATION BOARD OF ACCOUNTANCY	INFO	COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPLY. # / OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
6503	103100061802	52044600	N8740223	03/05/2021	00707393	QUADRIENTILE	12219369		672.36	DR				
6503	103100061802	52044900	EQUIPMENT RENTAL ACCOUNTRENT20-21	03/10/2021	407016	MCGINNISRO	12074040		672.36	DR				
6503	103100061802	52045300	RENTS-PRIVATE OWNED PROP. TEL102150	03/10/2021	00037954	ATTMOBILIT	12279233		1,380.75	DR				
6503	103100061802	52045300	8381416X20242021	03/12/2021					96.74	DR				
6503	103100061802	52045300	TELECOMMUNICATIONS SRVCS	03/05/2021	02385884	XCELENERGY	12023853		202.66	DR				
6503	103100061802	52045400	ELECTRICITY	04/02/2021					72.62	DR				
6503	103100061802	52045900	PE103032	04/02/2021					144.65	DR				
6503	103100061802	52045900	INS PREMIUMS & SURETY BDS	03/10/2021	271482				566.05	DR				
6503	103100061802	52047400	BANK FEES AND CHARGES	03/10/2021					67.20	DR				
6503	103100061802	52049600	OTHER CONTRACTUAL SERVICE	03/17/2021	02387427	INNOVATIVE	12550348		2,274.90	DR				
6503	103100061802	52050200	CONTRACTUAL SERVICES	03/03/2021	00707050	ECCWATERSY	12627232		70.00	DR				
6503	103100061802	52050200	0461431	03/05/2021	00707362	HPTNC	12125515		1.90	DR				
6503	103100061802	52280000	OFFICE SUPPLIES	03/03/2021					84.25	DR				
			SUPPLIES & MATERIALS						84.25	DR				
			T101-122						695.85	DR				
			OPER TRANS OUT -NON BUDGT						695.85	DR				
			NONOP EXP/NONBGTD OP TR						10,525.19	DR				
			OPERATING EXPENSES						23,918.45	DR				
			COMP: 6503						23,918.45	DR				
			CNTR: 103100061802						23,918.45	DR				
			B. UNIT: 1031						23,918.45	DR				

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

	Mar 31, 21
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1130000 · Local Checking - Great Western	384.53
1140000 · Pool Cash State of SD	420,827.74
<b>Total Checking/Savings</b>	421,212.27
<b>Other Current Assets</b>	
1131000 · Interest Income Receivable	18,356.04
1213000 · Investment Income Receivable	2,086.30
<b>Total Other Current Assets</b>	20,442.34
<b>Total Current Assets</b>	441,654.61
<b>Fixed Assets</b>	
1670000 · Computer Software	
Original Cost	34,075.00
1770000 · Depreciation	-16,564.38
<b>Total 1670000 · Computer Software</b>	17,510.62
<b>Total Fixed Assets</b>	17,510.62
<b>TOTAL ASSETS</b>	<b>459,165.23</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2110000 · Accounts Payable	2,301.03
<b>Total Accounts Payable</b>	2,301.03
<b>Other Current Liabilities</b>	
2430000 · Accrued Wages Payable	9,683.65
2810000 · Amounts Held for Others	15,236.06
<b>Total Other Current Liabilities</b>	24,919.71
<b>Total Current Liabilities</b>	27,220.74
<b>Long Term Liabilities</b>	
2960000 · Compensated Absences Payable	28,538.78
<b>Total Long Term Liabilities</b>	28,538.78
<b>Total Liabilities</b>	55,759.52
<b>Equity</b>	
3220000 · Net Position	300,314.12
3300100 · Invested In Capital Assets	17,510.90
3900 · Retained Earnings	2,466.88
Net Income	83,113.81
<b>Total Equity</b>	403,405.71
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>459,165.23</b>

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

	Jul '20 - Mar 21	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	2,075.00	2,500.00	-425.00	83.0%
4293551 · Certificate Renewals-Active	66,750.00	62,500.00	4,250.00	106.8%
4293552 · Certificate Renewals-Inactive	22,200.00	21,000.00	1,200.00	105.7%
4293553 · Certificate Renewals-Retired	1,480.00	1,450.00	30.00	102.1%
4293554 · Initial Firm Permits	450.00	700.00	-250.00	64.3%
4293555 · Firm Permit Renewals	15,600.00	14,500.00	1,100.00	107.6%
4293557 · Initial Audit	270.00	900.00	-630.00	30.0%
4293558 · Re-Exam Audit	1,093.88	2,460.00	-1,366.12	44.5%
4293560 · Late Fees-Initial Certificate	50.00	0.00	50.00	100.0%
4293561 · Late Fees-Certificate Renewals	3,550.00	3,000.00	550.00	118.3%
4293563 · Late Fees-Firm Permit Renewals	750.00	500.00	250.00	150.0%
4293564 · Late Fees-Peer Review	1,600.00	1,300.00	300.00	123.1%
4293566 · Firm Permit Owners	126,185.00	109,000.00	17,185.00	115.8%
4293567 · Peer Review Admin Fee	1,650.00	5,500.00	-3,850.00	30.0%
4293568 · Firm Permit Name Change	0.00	100.00	-100.00	0.0%
4293569 · Initial FAR	690.00	1,140.00	-450.00	60.5%
4293570 · Initial REG	180.00	660.00	-480.00	27.3%
4293571 · Initial BEC	180.00	930.00	-750.00	19.4%
4293572 · Re-Exam FAR	840.00	1,860.00	-1,020.00	45.2%
4293573 · Re-Exam REG	630.00	2,310.00	-1,680.00	27.3%
4293574 · Re-Exam BEC	780.00	2,310.00	-1,530.00	33.8%
4491000 · Interest and Dividend Revenue	11,016.74	5,500.00	5,516.74	200.3%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
<b>Total Income</b>	<b>258,020.62</b>	<b>241,120.00</b>	<b>16,900.62</b>	<b>107.0%</b>
<b>Gross Profit</b>	<b>258,020.62</b>	<b>241,120.00</b>	<b>16,900.62</b>	<b>107.0%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	48,810.65	86,257.00	-37,446.35	56.6%
5101020 · P-T/Temp Emp Sal & Wages	32,626.27	45,096.00	-12,469.73	72.3%
5101030 · Board & Comm Mbrs Fees	3,480.00	4,969.00	-1,489.00	70.0%
5102010 · OASI-Employer's Share	5,669.14	10,048.00	-4,378.86	56.4%
5102020 · Retirement-ER Share	4,641.74	7,881.00	-3,239.26	58.9%
5102060 · Health /Life Ins.-ER Share	19,380.24	10,809.00	8,571.24	179.3%
5102080 · Worker's Compensation	146.62	276.00	-129.38	53.1%
5102090 · Unemployment Insurance	81.69	131.00	-49.31	62.4%
5203010 · Auto--State Owned	0.00	250.00	-250.00	0.0%
5203020 · Auto-Private-Ownes Low Mileage	0.00	400.00	-400.00	0.0%
5203030 · In State-Auto- Priv. High Miles	0.00	1,500.00	-1,500.00	0.0%
5203060 · In State-Air Commercial Carrier	0.00	0.00	0.00	0.0%
5203080 · In State-Other Public Carrier	0.00	0.00	0.00	0.0%
5203100 · In State-Lodging	0.00	1,000.00	-1,000.00	0.0%
5203120 · In State-Incidental to Travel	0.00	100.00	-100.00	0.0%
5203130 · Nonemployment Travel	0.00	0.00	0.00	0.0%
5203140 · InState-Tax Meals Not Overnigt	0.00	100.00	-100.00	0.0%
5203150 · InState-Non-Tax Meals OverNight	0.00	400.00	-400.00	0.0%
5203220 · OS-Auto Private Low Mileage	0.00	0.00	0.00	0.0%
5203230 · OS-Auto Private High Mileage	0.00	200.00	-200.00	0.0%

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

	Jul '20 - Mar 21	Budget	\$ Over Budget	% of Budget
5203260 · OS-Air Commercial Carrier	0.00	7,000.00	-7,000.00	0.0%
5203280 · OS-Other Public Carrier	0.00	700.00	-700.00	0.0%
5203300 · OS-Lodging	0.00	9,000.00	-9,000.00	0.0%
5203320 · OS-Incidentals to Travel	0.00	500.00	-500.00	0.0%
5203330 · OS-Nonemployment Travel	0.00	0.00	0.00	0.0%
5203340 · OS-Taxable Meals-Not Overnight	0.00	0.00	0.00	0.0%
5203350 · OS-Non-Taxable Meals Overnight	0.00	1,000.00	-1,000.00	0.0%
5204010 · Subscriptions	795.58	1,000.00	-204.42	79.6%
5204020 · Dues and Membership Fees	3,200.00	3,900.00	-700.00	82.1%
5204030 · Legal Document Fees	239.63	300.00	-60.37	79.9%
5204040 · Consultant Fees-Accounting	3,600.00	3,600.00	0.00	100.0%
5204050 · Consultant Fees - Computer	5,754.39	15,000.00	-9,245.61	38.4%
5204060 · Consultant Fees-Educat/Training	0.00	0.00	0.00	0.0%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204130 · Consultant Fees-Other	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	100.00	7,500.00	-7,400.00	1.3%
5204180 · Computer Services-State	3,799.38	5,000.00	-1,200.62	76.0%
5204181 · Computer Development Serv-State	120.40	2,000.00	-1,879.60	6.0%
5204190 · Computer Services-Private	0.00	0.00	0.00	0.0%
5204200 · Central Services	5,455.23	9,000.00	-3,544.77	60.6%
5204220 · Equipment Service & Maintenance	43.67	300.00	-256.33	14.6%
5204230 · Janitorial/Maintenance Services	1,282.14	1,725.00	-442.86	74.3%
5204320 · Audit Services-Private	0.00	0.00	0.00	0.0%
5204340 · Computer Software Maintenance	0.00	1,000.00	-1,000.00	0.0%
5204360 · Advertising-Newspapers	0.00	500.00	-500.00	0.0%
5204390 · Advertising-Brochures	0.00	0.00	0.00	0.0%
5204440 · Newsletter Publishing	0.00	100.00	-100.00	0.0%
5204460 · Equipment Rental	2,749.44	4,000.00	-1,250.56	68.7%
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%
5204500 · Rents-County/Municipal	0.00	0.00	0.00	0.0%
5204510 · Rent-Other	0.00	500.00	-500.00	0.0%
5204530 · Telecommunications Services	2,285.79	5,500.00	-3,214.21	41.6%
5204540 · Electricity	576.06	865.00	-288.94	66.6%
5204560 · Water	95.94	240.00	-144.06	40.0%
5204580 · Trucking, Drayage, and Freight	0.00	0.00	0.00	0.0%
5204590 · Insurance Premiums/Surety Bonds	0.00	1,710.00	-1,710.00	0.0%
5204730 · Maintenance Contracts	0.00	0.00	0.00	0.0%
5204740 · Bank Fees and Charges	4,849.06	6,500.00	-1,650.94	74.6%
5204960 · Other Contractual Services	0.00	0.00	0.00	0.0%
5205020 · Office Supplies	176.19	3,000.00	-2,823.81	5.9%
5205028 · OFFICE SUPPLIES-2	12.53	0.00	12.53	100.0%
5205060 · Maintenance/Janitorial Supplies	0.00	0.00	0.00	0.0%
5205310 · Printing State	0.00	350.00	-350.00	0.0%
5205320 · Printing/Duplicating/Binding Co	144.90	500.00	-355.10	29.0%
5205330 · Supplemental Publications	0.00	700.00	-700.00	0.0%
5205340 · Microfilm Supplies/Materials	0.00	0.00	0.00	0.0%
5205350 · Postage	2,000.00	2,000.00	0.00	100.0%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207440 · Filing Equipment	0.00	0.00	0.00	0.0%
5207450 · Office Equipment and Fixtures	0.00	0.00	0.00	0.0%
5207490 · Telephone Equipment	0.00	0.00	0.00	0.0%
5207900 · Computer Hardware	640.78	6,800.00	-6,159.22	9.4%
5207950 · System Development	0.00	1,000.00	-1,000.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	1,000.00	-1,000.00	0.0%
5228000 · Operating Transfers Out-NonBudg	5,463.26	8,000.00	-2,536.74	68.3%
5228030 · Depreciation Expense	4,259.34	5,679.12	-1,419.78	75.0%
<b>Total Expense</b>	<b>174,906.81</b>	<b>304,055.12</b>	<b>-129,148.31</b>	<b>57.5%</b>
<b>Net Ordinary Income</b>	<b>83,113.81</b>	<b>-62,935.12</b>	<b>146,048.93</b>	<b>-132.1%</b>

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

	Jul '20 - Mar 21	Budget	\$ Over Budget	% of Budget
Other Income/Expense				
Other Expense				
5228090 - SecuritiyLendingRebateFees	0.00	0.00	0.00	0.0%
Total Other Expense	0.00	0.00	0.00	0.0%
Net Other Income	0.00	0.00	0.00	0.0%
<b>Net Income</b>	<b>83,113.81</b>	<b>-62,935.12</b>	<b>146,048.93</b>	<b>-132.1%</b>

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

	Mar 21	Mar 20	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	75.00	125.00	-50.00	-40.0%
4293554 · Initial Firm Permits	150.00	50.00	100.00	200.0%
4293557 · Initial Audit	0.00	30.00	-30.00	-100.0%
4293558 · Re-Exam Audit	60.00	30.00	30.00	100.0%
4293564 · Late Fees-Peer Review	50.00	50.00	0.00	0.0%
4293566 · Firm Permit Owners	1,130.00	195.00	935.00	479.5%
4293567 · Peer Review Admin Fee	0.00	75.00	-75.00	-100.0%
4293568 · Firm Permit Name Change	0.00	25.00	-25.00	-100.0%
4293569 · Initial FAR	90.00	60.00	30.00	50.0%
4293570 · Initial REG	0.00	30.00	-30.00	-100.0%
4293571 · Initial BEC	30.00	0.00	30.00	100.0%
4293572 · Re-Exam FAR	60.00	90.00	-30.00	-33.3%
4293573 · Re-Exam REG	60.00	120.00	-60.00	-50.0%
4293574 · Re-Exam BEC	120.00	60.00	60.00	100.0%
4896021 · Legal Recovery Cost	0.00	550.00	-550.00	-100.0%
<b>Total Income</b>	<b>1,825.00</b>	<b>1,490.00</b>	<b>335.00</b>	<b>22.5%</b>
<b>Gross Profit</b>	<b>1,825.00</b>	<b>1,490.00</b>	<b>335.00</b>	<b>22.5%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	5,711.19	2,612.32	3,098.87	118.6%
5101020 · P-T/Temp Emp Sal & Wages	3,708.30	1,526.43	2,181.87	142.9%
5102010 · OASI-Employer's Share	585.29	280.46	304.83	108.7%
5102020 · Retirement-ER Share	565.19	226.55	338.64	149.5%
5102060 · Health /Life Ins.-ER Share	2,796.80	859.11	1,937.69	225.6%
5102080 · Worker's Compensation	17.02	5.38	11.64	216.4%
5102090 · Unemployment Insurance	9.47	1.83	7.64	417.5%
5203260 · OS-Air Commercial Carrier	0.00	676.40	-676.40	-100.0%
5204010 · Subscriptions	402.60	0.00	402.60	100.0%
5204030 · Legal Document Fees	239.63	0.00	239.63	100.0%
5204160 · Workshop Registration Fees	100.00	0.00	100.00	100.0%
5204180 · Computer Services-State	0.00	493.05	-493.05	-100.0%
5204200 · Central Services	0.00	141.28	-141.28	-100.0%
5204220 · Equipment Service & Maintenance	3.29	3.21	0.08	2.5%
5204230 · Janitorial/Maintenance Services	142.46	139.67	2.79	2.0%
5204460 · Equipment Rental	79.00	79.00	0.00	0.0%
5204490 · Rents Privately Owned Property	1,380.75	1,380.75	0.00	0.0%
5204530 · Telecommunications Services	202.66	50.85	151.81	298.5%
5204540 · Electricity	62.35	74.19	-11.84	-16.0%
5204740 · Bank Fees and Charges	67.20	27.10	40.10	148.0%
5204960 · Other Contractual Services	0.00	30.00	-30.00	-100.0%
5205020 · Office Supplies	1.90	27.67	-25.77	-93.1%
5205028 · OFFICE SUPPLIES-2	0.00	0.41	-0.41	-100.0%
5205320 · Printing/Duplicating/Binding Co	13.80	24.15	-10.35	-42.9%
5207960 · Computer Software Expense	0.00	179.07	-179.07	-100.0%
5228000 · Operating Transfers Out-NonBudg	695.85	538.88	156.97	29.1%
5228030 · Depreciation Expense	473.26	473.26	0.00	0.0%
<b>Total Expense</b>	<b>17,258.01</b>	<b>9,851.02</b>	<b>7,406.99</b>	<b>75.2%</b>
<b>Net Ordinary Income</b>	<b>-15,433.01</b>	<b>-8,361.02</b>	<b>-7,071.99</b>	<b>-84.6%</b>
<b>Net Income</b>	<b>-15,433.01</b>	<b>-8,361.02</b>	<b>-7,071.99</b>	<b>-84.6%</b>

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

	Jul '20 - Mar 21	Jul '19 - Mar 20	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	2,075.00	4,735.00	-2,660.00	-56.2%
4293551 · Certificate Renewals-Active	66,750.00	62,940.00	3,810.00	6.1%
4293552 · Certificate Renewals-Inactive	22,200.00	19,710.00	2,490.00	12.6%
4293553 · Certificate Renewals-Retired	1,480.00	1,240.00	240.00	19.4%
4293554 · Initial Firm Permits	450.00	500.00	-50.00	-10.0%
4293555 · Firm Permit Renewals	15,600.00	11,050.00	4,550.00	41.2%
4293557 · Initial Audit	270.00	180.00	90.00	50.0%
4293558 · Re-Exam Audit	1,093.88	1,320.00	-226.12	-17.1%
4293560 · Late Fees-Initial Certificate	50.00	50.00	0.00	0.0%
4293561 · Late Fees-Certificate Renewals	3,550.00	2,750.00	800.00	29.1%
4293563 · Late Fees-Firm Permit Renewals	750.00	300.00	450.00	150.0%
4293564 · Late Fees-Peer Review	1,600.00	500.00	1,100.00	220.0%
4293566 · Firm Permit Owners	126,185.00	114,460.00	11,725.00	10.2%
4293567 · Peer Review Admin Fee	1,650.00	150.00	1,500.00	1,000.0%
4293568 · Firm Permit Name Change	0.00	150.00	-150.00	-100.0%
4293569 · Initial FAR	690.00	390.00	300.00	76.9%
4293570 · Initial REG	180.00	300.00	-120.00	-40.0%
4293571 · Initial BEC	180.00	180.00	0.00	0.0%
4293572 · Re-Exam FAR	840.00	1,080.00	-240.00	-22.2%
4293573 · Re-Exam REG	630.00	1,350.00	-720.00	-53.3%
4293574 · Re-Exam BEC	780.00	1,110.00	-330.00	-29.7%
4491000 · Interest and Dividend Revenue	11,016.74	9,932.08	1,084.66	10.9%
4896021 · Legal Recovery Cost	0.00	1,150.00	-1,150.00	-100.0%
<b>Total Income</b>	<b>258,020.62</b>	<b>235,527.08</b>	<b>22,493.54</b>	<b>9.6%</b>
<b>Gross Profit</b>	<b>258,020.62</b>	<b>235,527.08</b>	<b>22,493.54</b>	<b>9.6%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	48,810.65	47,974.49	836.16	1.7%
5101020 · P-T/Temp Emp Sal & Wages	32,626.27	27,212.92	5,413.35	19.9%
5101030 · Board & Comm Mbrs Fees	3,480.00	3,720.00	-240.00	-6.5%
5102010 · OASI-Employer's Share	5,669.14	5,383.31	285.83	5.3%
5102020 · Retirement-ER Share	4,641.74	4,257.96	383.78	9.0%
5102060 · Health /Life Ins.-ER Share	19,380.24	15,562.53	3,817.71	24.5%
5102080 · Worker's Compensation	146.62	97.74	48.88	50.0%
5102090 · Unemployment Insurance	81.69	33.07	48.62	147.0%
5203010 · Auto--State Owned	0.00	47.79	-47.79	-100.0%
5203020 · Auto-Private-Ownes Low Mileage	0.00	104.42	-104.42	-100.0%
5203030 · In State-Auto- Priv. High Miles	0.00	749.28	-749.28	-100.0%
5203100 · In State-Lodging	0.00	338.00	-338.00	-100.0%
5203150 · InState-Non-Tax Meals OverNight	0.00	138.00	-138.00	-100.0%
5203260 · OS-Air Commercial Carrier	0.00	3,693.93	-3,693.93	-100.0%
5203280 · OS-Other Public Carrier	0.00	147.56	-147.56	-100.0%
5203300 · OS-Lodging	0.00	4,109.43	-4,109.43	-100.0%
5203320 · OS-Incidentals to Travel	0.00	274.00	-274.00	-100.0%
5203350 · OS-Non-Taxable Meals Overnight	0.00	416.00	-416.00	-100.0%
5204010 · Subscriptions	795.58	363.83	431.75	118.7%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204030 · Legal Document Fees	239.63	0.00	239.63	100.0%

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

	Jul '20 - Mar 21	Jul '19 - Mar 20	\$ Change	% Change
5204040 · Consultant Fees-Accounting	3,600.00	5,200.00	-1,600.00	-30.8%
5204050 · Consultant Fees - Computer	5,754.39	11,064.17	-5,309.78	-48.0%
5204160 · Workshop Registration Fees	100.00	4,396.44	-4,296.44	-97.7%
5204180 · Computer Services-State	3,799.38	4,241.40	-442.02	-10.4%
5204181 · Computer Development Serv-State	120.40	274.51	-154.11	-56.1%
5204200 · Central Services	5,455.23	5,842.66	-387.43	-6.6%
5204220 · Equipment Service & Maintenance	43.67	49.69	-6.02	-12.1%
5204230 · Janitorial/Maintenance Services	1,282.14	1,257.01	25.13	2.0%
5204460 · Equipment Rental	2,749.44	2,520.00	229.44	9.1%
5204490 · Rents Privately Owned Property	12,426.75	13,807.50	-1,380.75	-10.0%
5204530 · Telecommunications Services	2,285.79	1,541.23	744.56	48.3%
5204540 · Electricity	576.06	753.39	-177.33	-23.5%
5204560 · Water	95.94	89.40	6.54	7.3%
5204590 · Insurance Premiums/Surety Bonds	0.00	50.00	-50.00	-100.0%
5204740 · Bank Fees and Charges	4,849.06	4,874.12	-25.06	-0.5%
5204960 · Other Contractual Services	0.00	913.43	-913.43	-100.0%
5205020 · Office Supplies	176.19	590.82	-414.63	-70.2%
5205028 · OFFICE SUPPLIES-2	12.53	6.99	5.54	79.3%
5205320 · Printing/Duplicating/Binding Co	144.90	131.10	13.80	10.5%
5205350 · Postage	2,000.00	0.00	2,000.00	100.0%
5207900 · Computer Hardware	640.78	653.40	-12.62	-1.9%
5207960 · Computer Software Expense	0.00	179.07	-179.07	-100.0%
5228000 · Operating Transfers Out-NonBudg	5,463.26	4,887.15	576.11	11.8%
5228030 · Depreciation Expense	4,259.34	4,259.34	0.00	0.0%
<b>Total Expense</b>	<b>174,906.81</b>	<b>185,407.08</b>	<b>-10,500.27</b>	<b>-5.7%</b>
<b>Net Ordinary Income</b>	<b>83,113.81</b>	<b>50,120.00</b>	<b>32,993.81</b>	<b>65.8%</b>
<b>Net Income</b>	<b>83,113.81</b>	<b>50,120.00</b>	<b>32,993.81</b>	<b>65.8%</b>



## REPORT TO BOARD ON GRADES

Nicole Kasin

The grades were posted for review for the 68<sup>th</sup> window. These grades are through March 2021. 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 1-68

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

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

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

Count of Score	Section				Grand Total
School	AUD	BEC	FAR	REG	Grand Total
Augie	120	118	118	130	486
BHSU	146	138	134	126	544
COTech	23	21	14	14	72
DSU	34	27	29	25	115
DWU	34	25	29	26	114
Mt. Marty	26	29	17	20	92
NAU	16	22	27	25	90
NSU	110	135	92	116	453
OS	344	340	349	334	1367
SDSU	47	45	36	42	170
USD	361	360	359	354	1434
USF	108	100	107	84	399
Grand Total	1369	1360	1311	1296	5336

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	
Augie	81	87	78	81	81
BHSU	74	74	73	65	71
DSU	65	78	79	78	72
DWU	63	68	73	70	69
NSU	80	68	62	75	72
OS	75	75	72	73	74
USD	73	76	70	74	73
USF	70	81	70	77	74
Grand Total	73	76	72	73	73

The Board needs to ratify the scores of the 2021-1 (68<sup>th</sup> Window) grades.

## EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

### **NASBA Issues/Topics**

1. Committee Interest for 2021-2022 – Email sent from NASBA 3-3-21
2. NASBA Regional meeting June 22-23 – Virtual
3. Regional Director Nomination
4. NASBA/AICPA jointly hosting with AAA to announce Model Curriculum – June 15 & 16
  - a. <https://aaahq.org/Meetings/2021/CPA-Evolution-Model-Curriculum-Launch>
  - b. June 15 – 12:15-3:20 CDT
  - c. June 16 – 12:30-2:00 CDT
5. CPA Evolution
  - a. Model Rules approved by NASBA/AICPA. The following are conflicts with our rules:
    - i. Principles 1 & 2 undergrad or introductory accounting at grad level – not counting towards 24 hours in accounting
    - ii. Data analytics - courses count toward business or accounting, even if the course prefix is from a different college or university program (engineering, computer science or math)
    - iii. A maximum of 9 credit hours for internship/independent study
  - b. Implementation proposed for January 2024
6. Executive Directors & Legal Counsel Conferences Recap
  - a. Legislative Update
  - b. Succession Planning for CPA Firms
  - c. Investigations
  - d. Disciplinary Action
  - e. Legal Cases Impacting the Profession
  - f. CPA Exam
  - g. CPA Evolution
  - h. Cybersecurity
  - i. Peer Review
  - j. Substantial Equivalency
  - k. Administrative Proceedings: Order Preparation and Deliberation

### **Board Discussion**

- Any New Business/topics?



Due to the Covid-19 pandemic, BOE meetings have been held remotely via Zoom. Rather than standard 12-hour meeting held in February, May, and October, shorter two-hour Zoom calls are being held monthly in 2021. This Meeting Highlights document covers 21Q1.

**Impact of COVID-19 on the CPA Exam and CPA Exam Financials**

Thankfully the AICPA Exams Team continues to be safe and healthy and can work completely remotely with no negative impact on operations.

Domestic Sections Delivered	Q1	Q2	Q3	Q4	Total
Updated 2021 Forecast (21Q1 Actual)	32,963	38,628	50,057	47,310	168,958
Budgeted 2021	37,489	41,766	54,832	45,913	180,000
Volume Variance to Budget	(4,526)	(3,138)	(4,775)	1,397	(11,042)

For comparison purposes, Domestic sections delivered in 2020 totaled 154,391.

Prometric centers are open at full capacity and appointments remain available for CPA candidate

Historically, Candidates have returned to prior volumes of testing following a change to the Exam. This has not been the case since 2017 as the pipeline has not recovered since then. Numerous studies into firm hiring, alternative credentials and careers, education, communications, and marketing continue. The Covid pandemic further exacerbated this problem and may continue to put downward pressure on the pipeline as Candidates halt or delay their education, take gap years, etc.

	Domestic Section Annual Volumes	Candidates Entering the Pipeline	Unique Candidates in the Pipeline	Candidates Passing Their Last Section
2017	223991	39436	95612	25514
2018	196973	36827	85859	23941
2019	187968	36670	83013	23365
2020	154318	30385	73106	20703
Average 2008 – 2020	226037	41030	91141	25253



Continuous Testing continues to perform as expected as 3,026 and 3,401 sections were retake attempts in 20Q3 and 20Q4 respectively. The pass rates for these sections are comparable to our normal pass rates at 53% (20Q3) and 51% (20Q4).

Significant cost savings have resulted from a travel ban, all BOE, Committee and Subcommittee meetings being held remotely, and reductions in our profession services expenditures.

NASBA and the AICPA successfully extended the agreement regarding administration of the CPA Exam to 2039.

### International Administration

2020 volumes were as follows:

- Japan 6,105
- India 2,913 (June, September, and December)
- Middle East 2,435
- South Korea 1,131 (December only)
- Europe 368
- Canada 61(December only)

It is important to note that:

- Continuous testing was implemented for India effective January 2021.
- Some volume shifted from the Middle East to India as Indian candidates can now test in India vs. traveling to the Middle East to test.
- The administration of the CPA Exam was launched in Canada and South Korea to address Candidate demand due to Covid-related travel restrictions.

### Remote Testing

NAP (NASBA, the AICPA, and Prometric) continue the development of the remote testing capability in preparation of the Remote Testing Pilot, currently targeted for June 2021. The following steps are in progress and are required for the Pilot:

- Complete the NAP Security risk assessment and address any issues
- Complete the implementation of necessary changes to ProProctor to support the CPA Exam program
- Complete NAP end-to-end testing of systems
- NASBA works with CBT Admin Committee, ED Committee and Boards on updated administration policies
- Execute a contract amendment for the Remote Testing Pilot

### **Current Practice Analysis**

A CPA Exam Practice Analysis Final Report and an updated CPA Exam blueprint were published in November 2020 and the updated CPA Exam from this Practice Analysis will launch on July 1, 2021. They are available here:

<https://www.aicpa.org/becomeacpa/cpaexam/examinationcontent.html>

Specific changes include:

- AUD / BEC
  - Increased emphasis on understanding business processes
  - Greater focus on having digital / data-driven mindset (analytics)
  - Reliance on SOC reports
- FAR
  - IFRS removed
- REG
  - Estate taxation removed

### **CPA Evolution**

The AICPA Exams Team initiated the “Foundation and Framework” preliminary phase of the CPA Evolution Practice Analysis in the fall of 2020 to draft a high-level definition of the Core and Disciplines.

Regarding the Disciplines:

- The ISC (Information Systems and Controls) Discipline is targeted to Candidates interested in various roles in assurance or advisory services related to a client’s business processes, information systems, information security and governance, and the IT audit.
- The BAR (Business Analysis and Reporting) Discipline is targeted to Candidates interested in assurance or advisory services, financial statement analysis and reporting, technical accounting, and financial and operations management.
- The TCP (Tax Compliance and Planning) Discipline is targeted to Candidates interested in various roles concentrated in individual tax compliance and planning, personal financial planning, and entity tax compliance and planning.

Agreement ratings from a Core survey and the results from the Discipline focus groups were analyzed in February and March and is impacting the research currently underway as we continue to understand and obtain input on preliminary Core / Discipline content topics and begin the rough draft of Core Blueprints. This work will also help inform our thinking on content that is tested in both Core and Discipline sections.

The Exams Team continues to meet regularly with the AICPA-NASBA CPA Evolution Task Force, the BOE, and the BOE CPA Evolution Sponsor Group as the CPA Evolution Practice Analysis evolves as we prepare for a July socialization of the descriptions of the Core and Discipline sections.