

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

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

October 18, 2022, 10:30 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 September 12, 2022.....	2-3
D. A-Approval of Certificates & Firm Permits.....	4-5
E. A-Approval of Financial Statements through September 2022.....	6-16
F. A-Report to Board on 2 <sup>nd</sup> requests for CPE extensions.....	17-22
G. D-Character References for Initial Licensure.....	23
H. D-Executive Director's Report.....	24

**NASBA**

I. D-UAA Model Rules proposed change to 5.7 conditional credit.....	25-29
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**EXECUTIVE SESSION pursuant to SDCL 1-25-2**

J. Equivalent Reviews, follow-up, and enforcement case for Board Review and/or Approval.....	Spt. Pkt.
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**FUTURE MEETING DATES (all times CST)**

- K. Meeting Dates  
December 15 – 8:30 Zoom Meeting
- L. Adjournment

**Meeting Minutes**  
**SOUTH DAKOTA BOARD OF ACCOUNTANCY**  
September 12, 2022 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 Smith, Jeff Strand, and Deidre Budahl.

**Others Present:** Nicole Kasin, Executive Director; Julie Iverson, Licensing Administrator; and Jerry McCabe, DLR.

Jeff Strand made a motion to approve the agenda. Russell Olson seconded the motion. **MOTION PASSED.**

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

Russell Olson made a motion to approve the August 12, 2022 meeting minutes. Jay Tolsma seconded the motion. **MOTION PASSED.**

Jeff Strand made a motion to approve the issuance of certificates and firm permits through September 6, 2022. Russell Olson seconded the motion. **MOTION PASSED.**

Jeff Smith made a motion to approve the financial statements through August 2022. Jay Tolsma seconded the motion. **MOTION PASSED.**

Executive Director Kasin discussed her report on the status of annual renewals for individuals and firms, CPE extensions, and CPA Evolution.

The Board discussed the NASBA Board of Directors meeting minutes from May 6, 2022; the Board of Directors meeting minutes from July 8, 2022; the Board of Directors meeting highlights from July 22, 2022; and the Proposed Bylaws Changes for consideration.

Jeff Strand made a motion at 8:38 a.m. to enter executive session for the deliberative process for peer reviews, a follow-up, and enforcement case. Russell Olson seconded the motion. **MOTION PASSED.**

The Board came out of executive session at 9:37 a.m.

Jeff Strand made a motion to accept the peer reviews, follow-up, and enforcement case as discussed in executive session. Holly Engelhart seconded the motion. **MOTION PASSED.**

Jeff Smith left the meeting at 9:38.

**FUTURE MEETING DATES** (all times CT)  
October 18, 2022 – 10:30 a.m. Zoom meeting  
December 15, 2022 – 8:30 a.m. Zoom meeting

Russell Olson made a motion to adjourn the meeting. Jay Tolsma seconded the motion. **MOTION PASSED.** (Smith excused)

All business having come before the board was concluded and Chair Deidre Budahl adjourned the meeting at 9:39 a.m.

Deidre Budahl  
Deidre Budahl, CPA, Chair

Attest: Nicole Kasin  
Nicole Kasin, Executive Director

Jay Tolsma  
Jay Tolsma, CPA, Sec/Treas

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES  
BOARD COPY**

**Issued Through October 12, 2022**

Number	Name	Date Issued	Location
3612	Alexandra Marie Stone	9/12/22	Sioux Falls, SD
3613	Nicholas Norman Buchmann	9/19/22	Sioux Falls, SD
3614	Elijah Shane Houchens	9/23/22	Rapid City, SD

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

**Issued Through  
October 12, 2022**

<b>Number</b>	<b>Name</b>	<b>Date Issued</b>	<b>Basis/Comments</b>
1778	South Central Accounting Group, LLC Winner, SD	09/13/22	New Firm
1779	Frank, Rimerman & Co. LLP San Jose, CA	09/27/22	New Firm
1780	Lintz LLC Hermosa, SD	10/03/22	New Firm

STATE OF SOUTH DAKOTA  
CASH CENTER BALANCES  
AS OF: 09/30/2022

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	528,340.74	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			528,340.74	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			528,340.74	DR **	
BUDGET UNIT TOTAL 1031			528,340.74	DR ***	

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 09/30/2022

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPL # OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
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COMPANY NO 6503 PROFESSIONAL & LICENSING BOARDS										
6503	103100061802	51010100	CGEX220826	09/02/2022					2,268.27	DR
6503	103100061802	51010100	CGEX220913	09/16/2022					1,659.02	DR
6503	103100061802	51010100	CGEX220928	09/30/2022					1,458.05	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES										
6503	103100061802	51010200	CGEX220826	09/02/2022					5,385.34	DR
6503	103100061802	51010200	CGEX220913	09/16/2022					2,081.69	DR
6503	103100061802	51010200	CGEX220928	09/30/2022					2,550.65	DR
OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES										
6503	103100061802	51010300	CGEX220928	09/30/2022					2,223.70	DR
OBJSUB: 5101030 BOARD & COMM MERS FEES										
OBJECT: 5101 EMPLOYEE SALARIES										
6503	103100061802	51020100	CGEX220826	09/02/2022					720.00	DR
6503	103100061802	51020100	CGEX220906	09/07/2022					12,961.38	DR
6503	103100061802	51020100	CGEX220906	09/07/2022					281.56	DR
6503	103100061802	51020100	CGEX220913	09/16/2022					1.07	DR
6503	103100061802	51020100	CGEX220920	09/21/2022					272.88	DR
6503	103100061802	51020100	CGEX220928	09/30/2022					1.08	DR
OBJSUB: 5102010 OASI-EMPLOYER'S SHARE										
6503	103100061802	51020200	CGEX220826	09/02/2022					848.53	DR
6503	103100061802	51020200	CGEX220913	09/16/2022					260.95	DR
6503	103100061802	51020200	CGEX220928	09/30/2022					252.58	DR
OBJSUB: 5102020 RETIREMENT-ER SHARE										
6503	103100061802	51020600	CGEX220826	09/02/2022					734.44	DR
6503	103100061802	51020600	CGEX220913	09/16/2022					1,136.52	DR
6503	103100061802	51020600	CGEX220928	09/30/2022					1,064.90	DR
OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE										
6503	103100061802	51020800	CGEX220826	09/02/2022					3,194.99	DR
6503	103100061802	51020800	CGEX220913	09/16/2022					10.39	DR
6503	103100061802	51020800	CGEX220928	09/30/2022					10.08	DR
OBJSUB: 5102080 WORKER'S COMPENSATION										
6503	103100061802	51020900	CGEX220826	09/02/2022					29.32	DR
6503	103100061802	51020900	CGEX220913	09/16/2022					.57	DR
6503	103100061802	51020900	CGEX220928	09/30/2022					.61	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION										
OBJECT: 5102 EMPLOYEE BENEFITS										
GROUP: 51 PERSONAL SERVICES										
6503	103100061802	52030200	CGEX220908	09/09/2022					4,808.92	DR
6503	103100061802	52030200	CGEX220920	09/21/2022					17,770.30	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION										
6503	103100061802	52030200	CGEX220920	09/21/2022					93.15	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION										
6503	103100061802	52030200	CGEX220920	09/21/2022					26.22	DR

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 09/30/2022

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

COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV APPL # OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
6503	103100061802	5203020	AUTO PRIV (IN-ST.) L/RATE	09/07/2022	040090				119.37	DR *
6503	103100061802	5203030	CGEXK220906	09/07/2022	040087				294.00	DR *
6503	103100061802	5203030	CGEXK220906	09/07/2022	040086				171.36	DR *
6503	103100061802	5203030	CGEXK220906	09/07/2022	040086				63.00	DR *
6503	103100061802	5203030	CGEXK220906	09/07/2022	040086				528.36	DR *
6503	103100061802	5203100	AUTO-PRIV (IN-ST.) H/RATE	09/14/2022	00809799	IAQUINTAIN	12141895	07	75.00	DR *
6503	103100061802	5203100	LODGING/IN-STATE	09/29/2022	052102				75.00	DR *
6503	103100061802	5203120	CGEXK220929	09/29/2022	052102				136.82	DR *
6503	103100061802	5203140	INCIDENTALS-TRAVEL-IN ST.	09/07/2022	040088				136.82	DR *
6503	103100061802	5203140	CGEXK220906	09/07/2022	040086				14.00	DR *
6503	103100061802	5203140	CGEXK220906	09/07/2022	040086				14.00	DR *
6503	103100061802	5203140	CGEXK220920	09/21/2022	040094				14.00	DR *
6503	103100061802	5203140	TAXABLE MEALS/IN-STATE	09/07/2022	040087				42.00	DR *
6503	103100061802	5203150	CGEXK220906	09/07/2022	040090				40.00	DR *
6503	103100061802	5203150	CGEXK220906	09/07/2022	040090				40.00	DR *
6503	103100061802	5203150	CGEXK220908	09/09/2022	045305				34.00	DR *
6503	103100061802	5203280	NON-TAXABLE MEALS/IN-ST	09/29/2022	052102				114.00	DR *
6503	103100061802	5203280	CGEXK220929	09/29/2022	052102				33.85	DR *
6503	103100061802	5203320	OTHER-PUBLIC-OUT-OF-STATE	09/09/2022	045305				8.00	DR *
6503	103100061802	5203320	CGEXK220908	09/09/2022	045305				8.00	DR *
6503	103100061802	5203350	INCIDENTALS-OUT-OF-STATE	09/29/2022	052102				74.00	DR *
6503	103100061802	5203350	CGEXK220929	09/29/2022	052102				74.00	DR *
6503	103100061802	5204180	NON-TAXABLE MEALS/OUT-ST	09/30/2022					74.00	DR **
6503	103100061802	5204180	TRAVEL	09/30/2022					1,131.40	DR **
6503	103100061802	5204180	DP308097	09/30/2022					528.60	DR *
6503	103100061802	5204180	DP308097	09/30/2022					528.30	DR *
6503	103100061802	5204180	DP308097	09/30/2022					528.30	DR *
6503	103100061802	5204180	DP308097	09/30/2022					528.60	DR *
6503	103100061802	5204180	DP308097	09/30/2022					528.30	DR *
6503	103100061802	5204181	COMPUTER SERVICES-STATE	09/30/2022					528.30	DR *
6503	103100061802	5204181	DP308097	09/30/2022					129.20	DR *
6503	103100061802	5204181	DP308097	09/30/2022					129.50	DR *
6503	103100061802	5204181	DP308097	09/30/2022					129.50	DR *
6503	103100061802	5204200	BIT DEVELOPMENT COSTS	09/28/2022					129.20	DR *
6503	103100061802	5204200	PL308059	09/28/2022					173.20	DR *
6503	103100061802	5204220	CENTRAL SERVICES	09/16/2022	02462773	ABBUSINESS	12036980		173.20	DR *
6503	103100061802	5204220	IN978691	09/16/2022	02462773	ABBUSINESS	12036980		85.54	DR *



STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 09/30/2022

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 APLV # OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
6503	1031000061802	5204220	EQUIPMENT SERV & MAINT	09/21/2022	014314	SUNSETOFTI	12627537		85.54	DR *
6503	1031000061802	5204230	JANITORIAL & MAINT SERV	09/23/2022	02463957	MCGINNISRO	12074040		159.84	DR *
6503	1031000061802	5204521	REVENUE BOND LEASE PYMTS	09/09/2022					1,380.75	DR *
6503	1031000061802	5204530	E103-036	09/07/2022					135.82	CR
6503	1031000061802	5204530	TL308154	09/07/2022					114.55	DR
6503	1031000061802	5204530	TL308208	09/07/2022					135.82	DR
6503	1031000061802	5204530	8381416X08242022	09/09/2022		ATMOMOBILIT	12279233		102.98	DR
6503	1031000061802	5204530	TELECOMMUNICATIONS SVCS	09/09/2022	02461709	XCELENERGY	12023853		217.53	DR *
6503	1031000061802	5204540	ELECTRICITY	09/23/2022	318120				91.40	DR *
6503	1031000061802	5204740	BANK FEES AND CHARGES	09/09/2022	00809071	NATIONALIAS	12005047		322.83	DR *
6503	1031000061802	5205020	OTHER CONTRACTUAL SERVICE	09/16/2022	02463035	INNOVATIVE	12550348		5,201.45	DR *
6503	1031000061802	5205020	CONTRACTUAL SERVICES	09/16/2022					8,290.04	DR **
6503	1031000061802	5205020	IN3918345,919944	09/16/2022					90.79	DR
6503	1031000061802	5205350	OFFICE SUPPLIES	09/14/2022	00053352	USPOSTALISE	12005421	12	2,000.00	DR *
6503	1031000061802	5205350	090622	09/14/2022					90.79	DR *
6503	1031000061802	5205700	POSTAGE	09/29/2022	052102				2,000.00	DR *
6503	1031000061802	5205700	CGERX220929	09/29/2022					39.75	DR *
6503	1031000061802	5228000	GASOLINE-RETAIL	09/07/2022					39.75	DR **
6503	1031000061802	5228000	SUPPLIES & MATERIALS	09/07/2022					2,130.54	DR **
6503	1031000061802	5228000	TI03-039	09/07/2022					536.76	DR **
6503	1031000061802	5228000	OPER TRANS OUT -NON BUDGT						536.76	DR *
6503	1031000061802	5228000	NONOP EXP/NONBGTD OP TR						536.76	DR **
6503	1031000061802	5228000	OPERATING EXPENSES						12,088.74	DR ***
6503	1031000061802	5228000	COMP: 6503						29,859.04	DR ****
6503	1031000061802	5228000	CNTR: 1031000061802						29,859.04	DR ****
6503	1031000061802	5228000	B. UNIT: 1031						29,859.04	DR *****

**South Dakota Board of Accountancy**  
**Balance Sheet**  
As of September 30, 2022

	Sep 30, 22
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1130000 · Local Checking - Great Western	319.76
1140000 · Pool Cash State of SD	528,340.74
<b>Total Checking/Savings</b>	528,660.50
<b>Other Current Assets</b>	
1131000 · Interest Income Receivable	-6,549.82
1213000 · Investment Income Receivable	1,236.26
<b>Total Other Current Assets</b>	-5,313.56
<b>Total Current Assets</b>	523,346.94
<b>Fixed Assets</b>	
1670000 · Computer Software	
Original Cost	34,075.00
1770000 · Depreciation	-25,083.06
<b>Total 1670000 · Computer Software</b>	8,991.94
<b>Total Fixed Assets</b>	8,991.94
<b>TOTAL ASSETS</b>	<b>532,338.88</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2110000 · Accounts Payable	10,748.17
<b>Total Accounts Payable</b>	10,748.17
<b>Other Current Liabilities</b>	
2430000 · Accrued Wages Payable	11,529.81
2810000 · Amounts Held for Others	26,249.47
<b>Total Other Current Liabilities</b>	37,779.28
<b>Total Current Liabilities</b>	48,527.45
<b>Long Term Liabilities</b>	
2960000 · Compensated Absences Payable	32,104.79
<b>Total Long Term Liabilities</b>	32,104.79
<b>Total Liabilities</b>	80,632.24
<b>Equity</b>	
3220000 · Net Position	308,833.36
3300100 · Invested In Capital Assets	8,991.66
3900 · Retained Earnings	-22,714.83
Net Income	156,596.45
<b>Total Equity</b>	451,706.64
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>532,338.88</b>

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
**July through September 2022**

	Jul - Sep 22	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	775.00	2,500.00	-1,725.00	31.0%
4293551 · Certificate Renewals-Active	64,250.00	62,500.00	1,750.00	102.8%
4293552 · Certificate Renewals-Inactive	18,300.00	19,500.00	-1,200.00	93.8%
4293553 · Certificate Renewals-Retired	1,760.00	1,500.00	260.00	117.3%
4293554 · Initial Firm Permits	250.00	700.00	-450.00	35.7%
4293555 · Firm Permit Renewals	14,250.00	14,500.00	-250.00	98.3%
4293557 · Initial Audit	270.00	900.00	-630.00	30.0%
4293558 · Re-Exam Audit	360.00	2,460.00	-2,100.00	14.6%
4293560 · Late Fees-Initial Certificate	150.00	0.00	150.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,200.00	3,000.00	-800.00	73.3%
4293562 · Late Fees-Firm Permits	0.00	0.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	300.00	500.00	-200.00	60.0%
4293564 · Late Fees-Peer Review	650.00	1,300.00	-650.00	50.0%
4293566 · Firm Permit Owners	118,155.00	109,000.00	9,155.00	108.4%
4293567 · Peer Review Admin Fee	975.00	5,500.00	-4,525.00	17.7%
4293568 · Firm Permit Name Change	25.00	100.00	-75.00	25.0%
4293569 · Initial FAR	150.00	1,140.00	-990.00	13.2%
4293570 · Initial REG	30.00	660.00	-630.00	4.5%
4293571 · Inital BEC	90.00	930.00	-840.00	9.7%
4293572 · Re-Exam FAR	360.00	1,860.00	-1,500.00	19.4%
4293573 · Re-Exam REG	390.00	2,310.00	-1,920.00	16.9%
4293574 · Re-Exam BEC	210.00	2,310.00	-2,100.00	9.1%
4491000 · Interest and Dividend Revenue	4,114.34	9,500.00	-5,385.66	43.3%
4896021 · Legal Recovery Cost	0.00	1,000.00	-1,000.00	0.0%
<b>Total Income</b>	<b>228,014.34</b>	<b>243,670.00</b>	<b>-15,655.66</b>	<b>93.6%</b>
<b>Expense</b>				
5101000 · Annual/Sick Leave Compensation	-8,281.67			
5101010 · F-T Emp Sal & Wages	16,865.81	82,212.00	-65,346.19	20.5%
5101020 · P-T/Temp Emp Sal & Wages	15,644.83	50,018.00	-34,373.17	31.3%
5101030 · Board & Comm Mbrs Fees	1,980.00	5,509.00	-3,529.00	35.9%
5102010 · OASI-Employer's Share	-515.95	-10,116.00	-10,631.95	-5.1%
5102020 · Retirement-ER Share	1,950.57	7,934.00	-5,983.43	24.6%
5102060 · Health /Life Ins.-ER Share	8,119.78	25,433.00	-17,313.22	31.9%
5102080 · Worker's Compensation	77.95	198.00	-120.05	39.4%
5102090 · Unemployment Insurance	4.26	132.00	-127.74	3.2%
5203010 · Auto--State Owned	0.00	250.00	-250.00	0.0%
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	114.00	400.00	-286.00	28.5%
5203230 · OS-Auto Private High Mileage	0.00	200.00	-200.00	0.0%
5203260 · OS-Air Commercial Carrier	1,299.70	7,000.00	-5,700.30	18.6%
5203280 · OS-Other Public Carrier	231.57	700.00	-468.43	33.1%
5203300 · OS-Lodging	1,146.36	9,000.00	-7,853.64	12.7%
5203320 · OS-Incidentals to Travel	48.00	500.00	-452.00	9.6%

**South Dakota Board of Accountancy**  
**Profit & Loss Budget vs. Actual**  
**July through September 2022**

	Jul - Sep 22	Budget	\$ Over Budget	% of Budget
5203350 · OS-Non-Taxable Meals Overnight	204.00	1,000.00	-796.00	20.4%
5204010 · Subscriptions	0.00	1,300.00	-1,300.00	0.0%
5204020 · Dues and Membership Fees	3,200.00	3,900.00	-700.00	82.1%
5204030 · Legal Document Fees	0.00	300.00	-300.00	0.0%
5204040 · Consultant Fees-Accounting	0.00	3,700.00	-3,700.00	0.0%
5204050 · Consultant Fees - Computer	5,925.93	25,000.00	-19,074.07	23.7%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	3,475.00	7,500.00	-4,025.00	46.3%
5204180 · Computer Services-State	528.30	6,000.00	-5,471.70	8.8%
5204181 · Computer Development Serv-State	0.00	2,000.00	-2,000.00	0.0%
5204200 · Central Services	1,829.69	9,000.00	-7,170.31	20.3%
5204220 · Equipment Service & Maintenance	14.15	300.00	-285.85	4.7%
5204230 · Janitorial/Maintenance Services	479.52	1,825.00	-1,345.48	26.3%
5204330 · Computer Software Lease	0.00	190.00	-190.00	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%
5204440 · Newsletter Publishing	0.00	100.00	-100.00	0.0%
5204460 · Equipment Rental	858.36	4,000.00	-3,141.64	21.5%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	4,142.25	16,569.00	-12,426.75	25.0%
5204510 · Rent-Other	0.00	500.00	-500.00	0.0%
5204530 · Telecommunications Services	1,299.19	5,500.00	-4,200.81	23.6%
5204540 · Electricity	151.78	900.00	-748.22	16.9%
5204560 · Water	22.35	240.00	-217.65	9.3%
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	4,822.72	6,650.00	-1,827.28	72.5%
5204960 · Other Contractual Services	0.00	0.00	0.00	0.0%
5205020 · Office Supplies	171.44	3,000.00	-2,828.56	5.7%
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	76.65	500.00	-423.35	15.3%
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%
5207900 · Computer Hardware	0.00	6,800.00	-6,800.00	0.0%
5207950 · System Development	0.00	1,000.00	-1,000.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	1,000.00	-1,000.00	0.0%
5228000 · Operating Transfers Out-NonBudg	1,157.09	8,300.00	-7,142.91	13.9%
5228030 · Depreciation Expense	1,419.78	5,679.12	-4,259.34	25.0%
<b>Total Expense</b>	<b>71,417.89</b>	<b>331,565.12</b>	<b>-260,147.23</b>	<b>21.5%</b>
<b>Net Ordinary Income</b>	<b>156,596.45</b>	<b>-87,895.12</b>	<b>244,491.57</b>	<b>-178.2%</b>
<b>Net Income</b>	<b>156,596.45</b>	<b>-87,895.12</b>	<b>244,491.57</b>	<b>-178.2%</b>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
**September 2022**

	Sep 22	Sep 21	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	150.00	250.00	-100.00	-40.0%
4293551 · Certificate Renewals-Active	350.00	640.00	-290.00	-45.3%
4293552 · Certificate Renewals-Inactive	0.00	350.00	-350.00	-100.0%
4293553 · Certificate Renewals-Retired	10.00	50.00	-40.00	-80.0%
4293554 · Initial Firm Permits	50.00	0.00	50.00	100.0%
4293555 · Firm Permit Renewals	100.00	0.00	100.00	100.0%
4293557 · Initial Audit	30.00	30.00	0.00	0.0%
4293558 · Re-Exam Audit	60.00	150.00	-90.00	-60.0%
4293561 · Late Fees-Certificate Renewals	350.00	550.00	-200.00	-36.4%
4293563 · Late Fees-Firm Permit Renewals	100.00	0.00	100.00	100.0%
4293564 · Late Fees-Peer Review	0.00	50.00	-50.00	-100.0%
4293566 · Firm Permit Owners	195.00	0.00	195.00	100.0%
4293569 · Initial FAR	0.00	60.00	-60.00	-100.0%
4293571 · Initial BEC	0.00	30.00	-30.00	-100.0%
4293572 · Re-Exam FAR	0.00	150.00	-150.00	-100.0%
4293573 · Re-Exam REG	120.00	180.00	-60.00	-33.3%
4293574 · Re-Exam BEC	30.00	120.00	-90.00	-75.0%
4491000 · Interest and Dividend Revenue	0.09	0.00	0.09	100.0%
4896021 · Legal Recovery Cost	0.00	500.00	-500.00	-100.0%
<b>Total Income</b>	<b>1,545.09</b>	<b>3,110.00</b>	<b>-1,564.91</b>	<b>-50.3%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	5,385.34	5,797.54	-412.20	-7.1%
5101020 · P-T/Temp Emp Sal & Wages	6,856.04	4,530.86	2,325.18	51.3%
5101030 · Board & Comm Mbrs Fees	720.00	720.00	0.00	0.0%
5102010 · OASI-Employer's Share	848.53	698.50	150.03	21.5%
5102020 · Retirement-ER Share	734.44	619.72	114.72	18.5%
5102060 · Health /Life Ins.-ER Share	3,194.99	2,526.67	668.32	26.5%
5102080 · Worker's Compensation	29.32	14.48	14.84	102.5%
5102090 · Unemployment Insurance	1.64	0.92	0.72	78.3%
5203020 · Auto-Private-Ownes Low Mileage	93.15	0.00	93.15	100.0%
5203150 · InState-Non-Tax Meals OverNight	34.00	0.00	34.00	100.0%
5203320 · OS-Incidentals to Travel	8.00	0.00	8.00	100.0%
5204160 · Workshop Registration Fees	1,390.00	0.00	1,390.00	100.0%
5204180 · Computer Services-State	0.00	520.05	-520.05	-100.0%
5204181 · Computer Development Serv-State	0.00	162.50	-162.50	-100.0%
5204200 · Central Services	280.98	989.11	-708.13	-71.6%
5204220 · Equipment Service & Maintenance	6.54	5.28	1.26	23.9%
5204230 · Janitorial/Maintenance Services	159.84	145.31	14.53	10.0%
5204460 · Equipment Rental	107.00	79.00	28.00	35.4%
5204490 · Rents Privately Owned Property	1,380.75	1,380.75	0.00	0.0%
5204530 · Telecommunications Services	760.48	103.24	657.24	636.6%
5204540 · Electricity	60.38	60.60	-0.22	-0.4%
5204560 · Water	0.00	22.35	-22.35	-100.0%
5204740 · Bank Fees and Charges	267.83	368.58	-100.75	-27.3%
5205020 · Office Supplies	90.79	1.09	89.70	8,229.4%
5205320 · Printing/Duplicating/Binding Co	40.15	25.55	14.60	57.1%
5205350 · Postage	2,000.00	0.00	2,000.00	100.0%

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
**September 2022**

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	<u>Sep 22</u>	<u>Sep 21</u>	<u>\$ Change</u>	<u>% Change</u>
5228000 · Operating Transfers Out-NonBudg	536.76	330.11	206.65	62.6%
5228030 · Depreciation Expense	473.26	473.26	0.00	0.0%
<b>Total Expense</b>	<u>25,460.21</u>	<u>19,575.47</u>	<u>5,884.74</u>	<u>30.1%</u>
<b>Net Ordinary Income</b>	<u>-23,915.12</u>	<u>-16,465.47</u>	<u>-7,449.65</u>	<u>-45.2%</u>
<b>Net Income</b>	<u><u>-23,915.12</u></u>	<u><u>-16,465.47</u></u>	<u><u>-7,449.65</u></u>	<u><u>-45.2%</u></u>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
 July through September 2022

	Jul - Sep 22	Jul - Sep 21	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	775.00	600.00	175.00	29.2%
4293551 · Certificate Renewals-Active	64,250.00	64,790.00	-540.00	-0.8%
4293552 · Certificate Renewals-Inactive	18,300.00	19,650.00	-1,350.00	-6.9%
4293553 · Certificate Renewals-Retired	1,760.00	1,600.00	160.00	10.0%
4293554 · Initial Firm Permits	250.00	50.00	200.00	400.0%
4293555 · Firm Permit Renewals	14,250.00	14,850.00	-600.00	-4.0%
4293557 · Initial Audit	270.00	180.00	90.00	50.0%
4293558 · Re-Exam Audit	360.00	526.12	-166.12	-31.6%
4293560 · Late Fees-Initial Certificate	150.00	50.00	100.00	200.0%
4293561 · Late Fees-Certificate Renewals	2,200.00	2,250.00	-50.00	-2.2%
4293563 · Late Fees-Firm Permit Renewals	300.00	600.00	-300.00	-50.0%
4293564 · Late Fees-Peer Review	650.00	550.00	100.00	18.2%
4293566 · Firm Permit-Owners	118,155.00	127,430.00	-9,275.00	-7.3%
4293567 · Peer Review Admin Fee	975.00	600.00	375.00	62.5%
4293568 · Firm Permit Name Change	25.00	0.00	25.00	100.0%
4293569 · Initial FAR	150.00	270.00	-120.00	-44.4%
4293570 · Initial REG	30.00	150.00	-120.00	-80.0%
4293571 · Inital BEC	90.00	120.00	-30.00	-25.0%
4293572 · Re-Exam FAR	360.00	480.00	-120.00	-25.0%
4293573 · Re-Exam REG	390.00	420.00	-30.00	-7.1%
4293574 · Re-Exam BEC	210.00	300.00	-90.00	-30.0%
4491000 · Interest and Dividend Revenue	4,114.34	7,149.03	-3,034.69	-42.5%
4896021 · Legal Recovery Cost	0.00	2,101.89	-2,101.89	-100.0%
<b>Total Income</b>	<b>228,014.34</b>	<b>244,717.04</b>	<b>-16,702.70</b>	<b>-6.8%</b>
<b>Expense</b>				
5101000 · Annual/Sick Leave Compensation	-8,281.67	0.00	-8,281.67	-100.0%
5101010 · F-T Emp Sal & Wages	16,865.81	17,004.39	-138.58	-0.8%
5101020 · P-T/Temp Emp Sal & Wages	15,644.83	12,994.30	2,650.53	20.4%
5101030 · Board & Comm Mbrs Fees	1,980.00	1,980.00	0.00	0.0%
5102010 · OASI-Employer's Share	-515.95	2,001.97	-2,517.92	-125.8%
5102020 · Retirement-ER Share	1,950.57	1,799.97	150.60	8.4%
5102060 · Health /Life Ins.-ER Share	8,119.78	7,536.71	583.07	7.7%
5102080 · Worker's Compensation	77.95	42.00	35.95	85.6%
5102090 · Unemployment Insurance	4.26	2.71	1.55	57.2%
5203020 · Auto-Private-Ownes Low Mileage	119.37	109.02	10.35	9.5%
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 OverNigt	114.00	94.00	20.00	21.3%
5203260 · OS-Air Commercial Carrier	1,299.70	0.00	1,299.70	100.0%
5203280 · OS-Other Public Carrier	231.57	0.00	231.57	100.0%
5203300 · OS-Lodging	1,146.36	0.00	1,146.36	100.0%
5203320 · OS-Incidentals to Travel	48.00	0.00	48.00	100.0%
5203350 · OS-Non-Taxable Meals Overnight	204.00	0.00	204.00	100.0%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204050 · Consultant Fees - Computer	5,925.93	5,538.25	387.68	7.0%
5204160 · Workshop Registration Fees	3,475.00	0.00	3,475.00	100.0%
5204180 · Computer Services-State	528.30	1,040.10	-511.80	-49.2%

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
**July through September 2022**

	<u>Jul - Sep 22</u>	<u>Jul - Sep 21</u>	<u>\$ Change</u>	<u>% Change</u>
5204181 · Computer Development Serv-State	0.00	162.50	-162.50	-100.0%
5204200 · Central Services	1,829.69	2,256.09	-426.40	-18.9%
5204220 · Equipment Service & Maintenance	14.15	14.88	-0.73	-4.9%
5204230 · Janitorial/Maintenance Services	479.52	435.93	43.59	10.0%
5204330 · Computer Software Lease	0.00	714.70	-714.70	-100.0%
5204460 · Equipment Rental	858.36	909.36	-51.00	-5.6%
5204490 · Rents Privately Owned Property	4,142.25	4,142.25	0.00	0.0%
5204530 · Telecommunications Services	1,299.19	413.38	885.81	214.3%
5204540 · Electricity	151.78	177.33	-25.55	-14.4%
5204560 · Water	22.35	44.70	-22.35	-50.0%
5204740 · Bank Fees and Charges	4,822.72	3,400.85	1,421.87	41.8%
5205020 · Office Supplies	171.44	149.27	22.17	14.9%
5205320 · Printing/Duplicating/Binding Co	76.65	65.70	10.95	16.7%
5205350 · Postage	2,000.00	0.00	2,000.00	100.0%
5205700 · Retail Gasoline	39.75	0.00	39.75	100.0%
5228000 · Operating Transfers Out-NonBudg	1,157.09	1,334.46	-177.37	-13.3%
5228030 · Depreciation Expense	1,419.78	1,419.78	0.00	0.0%
<b>Total Expense</b>	<b>71,417.89</b>	<b>69,883.56</b>	<b>1,534.33</b>	<b>2.2%</b>
<b>Net Ordinary Income</b>	<b>156,596.45</b>	<b>174,833.48</b>	<b>-18,237.03</b>	<b>-10.4%</b>
<b>Net Income</b>	<b>156,596.45</b>	<b>174,833.48</b>	<b>-18,237.03</b>	<b>-10.4%</b>



**CPE EXTENSION REQUESTS**

Nicole Kasin

The following letters are from individuals who are requesting a second CPE extension for the July 1, 2021 to June 30, 2022 CPE reporting period. They had already been given a 90-day extension from staff which was through September 30, 2022.

In accordance with ARSD 20:75:04:10 the board shall review subsequent requests for extensions and may grant them on a case by case basis for good cause. Good cause includes personal emergencies, acts of God, administrative errors made by the board or the board of another state, or substantial compliance with SDCL chapter 36-20B or article 20:75.

Please make a determination individually for each of the following requests.



**LEROY M. GUNDERSON, C.P.A.**

808 Tenth Street SW • P.O. Box 1908 • Rapid City, SD 57701-0908 • Telephone: (605) 342-2951

September 26, 2022

South Dakota Board of Accountancy  
301 E 14<sup>th</sup> St, Suite 200  
Sioux Falls SD 57104

Re: Request for additional time to December 31, 2022 to  
complete my CPE

Board of Accountancy Members:

I am asking for additional time to December 31, 2022 to complete  
my CPE requirements.

I want to provide information and problems I have incurred  
causing this additional time request.

I was diagnosed with high risk, aggressive prostate cancer in  
September 2020 by Mayo Clinic in Phoenix, Az. Their diagnosis  
was " Adenocarcinoma of the prostate cT3bN1MX Gleason 10 PSA  
17". I understood from one of the physicians it was Stage 3.

I was treated using the proton beam therapy. I was given a drug  
therapy by Mayo Clinic that caused heart problems; I quit that  
drug and was told they had nothing else to offer.

I then turned to Naturopathic, holistic treatments to combat the  
floating cancer cells.

I traveled to Riordan Clinic in Overland Park, KS in April 2021 for evaluation and began infusion treatments. I then started receiving infusion treatments in Sioux Falls twice a week through November 2021.

I have been receiving infusion treatments at a clinic in Edina, MN since January 17, 2022 on a bi-weekly basis.

The treatments have been very time consuming and expensive, but appears they have been successful so far.

In addition to my cancer problems, my younger sister was diagnosed with aggressive brain cancer this summer and is currently in the Avera hospice program and failing significantly. My older brother and I worked to get her moved from her house to the Good Samaritan Village in Sioux Falls.

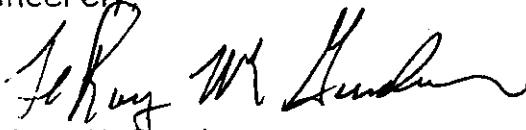
I have been working hard to get the 2021 extended tax returns for clients completed timely.

I understand that I have 44 hours of CPE to be completed. I have 14 hours nearly completed so far.

I would very much appreciate the approval of the additional time extension in order to complete all the required hours needed to be in compliance.

I apologize for this lengthy letter, but wanted to enlighten you of the struggles I have experienced these last 2 years.

Sincerely,

A handwritten signature in black ink, appearing to read "LeRoy M Gunderson". The signature is written in a cursive style with a large initial "L" and "G".

LeRoy M Gunderson

# *Guthmiller Accounting Ltd.*

Certified Public Accountants



613 8th Avenue NW  
Aberdeen, SD 57401  
(605) 225-7279

October 3, 2022

Nicole Kasin, Exc Director  
South Dakota Board of Accountancy  
301 E 14<sup>th</sup> St.  
Suite 200  
Sioux Falls, SD 57104

Dear Nicole & Board:

I am requesting additional time to complete 2021-2022 CPE requirements. I had told Nicole that I had the required hours, but needed to gather all my certificates to complete my record of CPE. I had all my Group:Internet-based certificates, but needed to add my self-study certificates. I was mistaken and had not completed them prior to tax season like I had planned. Since April 14, 2022 I had a few cardio episodes and have be in and out of the hospital since. In between I have listed my practice with SunBelt -Midwest. I would like to continue with the potential new owners and not just dump my client load on my already short staffed peers here in Aberdeen.

I included my CPE thus far. Thank you for considering my request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wendy J Guthmiller', written in a cursive style.

Wendy J Guthmiller  
Guthmiller Accounting, Ltd

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

301 E. 14<sup>th</sup> St. Suite 200, Sioux Falls, SD, 57104

Tel: 605.367.5770

[sdbdacct.sdbd@midconetwork.com](mailto:sdbdacct.sdbd@midconetwork.com)

**RECORD OF CONTINUING PROFESSIONAL EDUCATION**

Full Name: Wendy J Guthmiller

List all CPE completed in the past 12 months: 07/01/2021 to 06/30/2022

ARSD Chapter 20:75:04 requires certificate holders to maintain records substantiating continuing education credits claimed as prerequisites for certificate renewal.

CPE Type*	Course Title	Sponsor	Completion Date	Credit Hours Claimed
Group	Covid-19s Impact on ASC 842	NASBA-103021	08/21/2021	1.00
Group	Ethical Tax Practice Strategies in a Crisis World	BPM NASBA 107810	12/08/2021	2.00
Group	Intro to Cryptocurrency & Taxes	CPA Academy.org111889	03/24/2022	1.50
Group	Quarterly Tax Update 2022:Part 1	Basics & Beyond 108123	01/13/2022	1.00
Group	2022 Forms Update-Getting Ready for Filing Seas	Basics & Beyond	01/20/2022	2.00
Group	Peer Review Insights:How to be better prepared &	Thomson Reuters	02/02/2022	1.00
Group	SchK-2&K-3:How do we determine if they are requ	MNCPA	02/16/2022	1.00
Group	IRS Presenting Professional Responsibility:OPR&	CPA Academy	03/31/2022	1.00
Group	Simplifying Cryptocurrency Taxes	CPA Academy	04/12/2022	1.00
Group	Quarterly Tax Upate 2022:Part 2	Basics & Beyond	05/12/2022	1.00
Group	Cryptocurrency Tax Developments	NASBA-103021	05/24/2022	1.00
Group	FSA Emergency Relief Program Update	NDCPA Society	05/26/2022	2.50
Group	Tax Boot Camp:Filing Requirements	Basics & Beyond	06/09/2022	1.00
Group	Ethics: Part 3	Basics & Beyond	6/15/2022	1.00
Group	Retirement Plans & Tax Planning	Basics & Beyond	6/21/2022	2.00

\*CPE Type = Group (G), Self-Study (SS), University or College Instructor (UCI), Nano (N), University or College Course (UCC), Published article/Book/CPE Program (P) or Independent Study (IS).

	<b>Yearly Total</b>
Credit Hours Claimed ( <u>07/01/2021</u> to <u>06/30/2022</u> )	<b>20.00</b>

(Use additional sheets in SAME FORMAT if necessary)

## Iverson, Julie

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**From:** Cole Turner <coleturner@logan.org>  
**Sent:** Monday, October 10, 2022 12:02 AM  
**To:** Iverson, Julie  
**Cc:** Kasin, Nicole (DLR)  
**Subject:** [EXT] Cole Turner - Second Request for Extension

Julie/Nicole/SD BOA,

I have made a clerical error in my submission for CPE completed and due 6/30/22 (and extended to 9/30/22). I submitted my 9/30/22 forms after completing 49.5 CPE hours instead of the required 49.7 CPEs. Upon notification by the SD BOA staff, I quickly completed another 1 CPE hours, which I submitted on 10/5/22.

I have been recently going through some significant transitions in life. In the last 45 days, I have resigned my position at Sanford Health, to take a new role as CFO of a health system in Montana. I have been working to wrap up the budget cycle at my prior employer and help them work through some difficult financial times before leaving. At the same time, I have been packing up my home as I prepared to move to MT last week ahead of my family, who will follow later in the year. On 9/30 when my CPE was due and submitted, I wrapped up at Sanford. Over the weekend, I moved into a rental home in MT, and started my new job on 10/3. I have been trying to transition communication to my personal email away from Sanford Health, where I have been working the last 10 years, complicating communication. I would greatly appreciate lenience as it pertains to my late submitted .2 CPE. I have always represented the profession in a positive way, and will continue to in the future.

Thank you for your consideration.

Sent from my iPhone



**Cole Turner**  
Chief Financial Officer  
[coleturner@logan.org](mailto:coleturner@logan.org)

310 Sunnyview Lane  
Kalispell, MT 59901  
Office: (406) 751-5368

[logan.org](http://logan.org)

## Character References

The initial CPA licensure application requires applicants provide three individuals to be character references. The character references are to be individuals that know the applicant for at least one year and not related to the applicant. A standard reference form is sent to each person and must be completed and mailed back to the office.

Through topic discussions during the NASBA regional meeting it was addressed that most boards have removed this from the application process. The boards rely more on the experience forms completed by employers and signed off on by CPAs along with the moral character questions where applicants self-report on possible infractions with the law, application denial for licensure, discipline issues with state or federal agencies, the AIPCA or a state society, or being named in lawsuits, bankruptcy action, administrative proceedings or binding arbitration.

I am requesting our board discuss this process to see if they approve on keeping or removing the character references in this application process and if changes are to be made to set an implementation date.

## EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

### **CPE Extensions**

There were 77 administrative extensions granted for the CPE reporting period ending June 30, 2022. The extensions were valid through 9-30-22. 96% of those granted extensions have reported their completed CPE. The remaining 4% are working with board staff to complete the process.

### **CPE Audits**

The list of licensees has been selected for CPE audits and letters were sent out to those selected on September 15, 2022. The documentation is due in our office no later than October 31, 2022. The following is the current status of the audits as of October 7, 2022:

	<b>Selected</b>	<b>Complied</b>	<b>Not Complied</b>	<b>Granted Extension</b>	<b>Approved CPE Audit</b>	<b>Failed CPE Audit</b>
<b>CPA (Active)</b>	128	72	56	0	38	0
<b>CPA – Out of State Affidavit</b>	134					

### **NASBA Issues/Topics**

#### 1. CPA Evolution

- a. Model Rules approved by NASBA/AICPA. The following are conflicts with our rules, but through discussion, these are the items the board is looking to move forward with:
  - 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.
- b. Implementation proposed for January 2024

### **Board Discussion**

- Any New Business/topics?





National Association of State Boards of Accountancy

October 12, 2022

TO: State Boards of Accountancy and other interested parties

FROM: Stephanie M. Saunders, Chair – NASBA Uniform Accountancy Act Committee

As approved by the NASBA Board of Directors, we are releasing for a 60-day comment period, proposed revisions to the Uniform Accountancy Act's Model Rules that pertain to the examination. These revisions were developed by the NASBA CBT Administration Committee and reviewed by the NASBA Uniform Accountancy Act Committee, which recommended them to the NASBA Board for public comment.

The changes being proposed cover the granting of credit requirements for sections passed on the Uniform CPA Examination (Exam) for those wishing to enter the CPA profession. Once a candidate has successfully passed one section of the Exam, all jurisdictions provide candidates with a rolling eighteen (18) month period to successfully pass the remaining sections of the examination. The date from which credit is calculated varies among the jurisdictions. In addition, recent revisions to the Exam indicate that score delays may occur when updates are made to Exam content and structure. The Committees' recommendation seeks to provide uniformity among the jurisdictions on how the granting of credit is calculated and to address possible future score delays when Exam content or structure changes occur.

As proposed, Rule 5-7 Retake and granting of credit requirements would be deleted and re-written to include:

- Rule 5-7(a) provides that a candidate may take the required Test Sections individually in any order and that credit for any Test Section passed shall be valid for eighteen (18) months from the date the passing score was released by NASBA to the candidate or the Board.
- Rule 5-7(a)(1) provides a candidate must pass all Test Sections within a rolling eighteen (18) month period that begins with the date the first passing score(s) are released by NASBA to the candidate or the Board. The rolling window would conclude with the sit date of the final Test Section passed, regardless of when the score is released by NASBA for the final Test Section. If all Test Sections are not passed within eighteen (18) months, credit for any Test Section passed outside the eighteen (18) month period shall expire.
- Rule 5-7(b) is being proposed to prohibit a candidate from taking a failed Test Section until the candidate has been notified of the score for the most recent attempt of that failed Test Section.
- Rule 5-7(c) provides that a candidate is deemed to have passed all required Test Sections in the rolling eighteen (18) month period.

- Rules 5-7(d) provides a candidate shall retain credit for any and all Test Sections of the examination passed as a candidate of another state if such credit would have been given under then applicable requirements in this State.

- Rule 5-7(e) provides that the period of time to pass all Test Sections of the examination may be extended by the Board upon a showing that the credit was lost by reason or circumstances beyond the candidate's control.

We believe these changes will provide guidance for State Boards and candidates in the years ahead. We encourage the State Boards and other interested parties to consider these proposed changes and send any comments or recommendations to the UAA Committee via [uaacomment@nasba.org](mailto:uaacomment@nasba.org) by December 12, 2022.

Sincerely,

*Stephanie M. Saunders*

Stephanie M. Saunders, CPA  
Chair, NASBA Uniform Accountancy Act Committee

## Uniform Accountancy Act Model Rules – Conditional Credit

### Rule 5-7 – Retake and granting of credit requirements.

~~(a) — A Candidate may take the required Test Sections individually and in any order. Credit for any Test Section(s) passed shall be valid for a period of eighteen (18) months and be calculated from the actual date the Candidate took that Test Section, without having to attain a minimum score on any failed Test Section(s) and without regard to whether the Candidate has taken other Test Sections.~~

~~(1) — Candidates must pass all Test Sections of the examination within a rolling eighteen (18) month period, which begins on the date that the first Test Section(s) passed is taken.~~

~~(2) — (A) — Subject to subsection 7(a)(2)(B), Candidates cannot retake a failed Test Section(s) in the same testing window. A testing window is equal to a calendar quarter (January-March, April-June, July-September, October-December). Candidates will be able to test no less than two (2) months out of each testing window.~~

~~(B) — If the Board determines that the examination system changes necessary to eliminate the test window limitations have been implemented, subsection (A) will no longer be effective, and a Candidate can retake a Test Section once their grade for a n y previous attempt of that same Test Section has been released.~~

~~(3) — In the event all Test Sections of the examination are not passed within the rolling eighteen (18) month period, credit for any Test Section(s) passed outside the eighteen (18) month period will expire and that Test Section(s) must be retaken.~~

~~(b) — A Candidate shall retain credit for any and all Test Sections of the examination passed as a candidate of another state if such credit would have been given under then applicable requirements in this State.~~

~~(e) — A Candidate shall be deemed to have passed the examination once the Candidate holds at the same time valid credit for passing each of the Test Sections of the examination. For purposes of this section, credit for passing a Test Section of the examination is valid from the actual date of the Testing Event for that Test Section, regardless of the date the Candidate actually receives notice of the passing grade.~~

~~(d) — Notwithstanding subsection (a) of this Rule, the Board may in particular cases extend the term of credit validity upon a showing that the credit was lost by reason of circumstances beyond the Candidate's control.~~

**(a) A Candidate may take the required Test Sections individually and in any order. Credit for passing any Test Section shall be valid for that Test Section for eighteen (18) months from the date the passing score for such Test Section is released by NASBA to the Candidate or the Board, as the case may be, regardless of the number of Test Sections taken or having to attain a minimum score on any failed section(s).**

**(1) A Candidate shall pass all required Test Sections within a rolling 18-month period. The rolling eighteen (18) month period begins on the date the first passing score(s) are released by NASBA to the Candidate or the Board, as the case may be. The rolling eighteen (18) month period concludes on the date the Candidate sits for the final Test Section passed, regardless of when the score is released by NASBA for the final Test Section.**

**(2) A Candidate who earns initial credit on one or more Test Section(s) of the CPA examination must sit for and complete the remaining required Test Section(s) of the examination by midnight on the last day of the eighteen (18) month period.**

- (3) If all required Test Sections are not passed within this initial eighteen (18) month period, credit for the first Test Section(s) passed shall expire and a new rolling eighteen (18) month period shall begin on the date the second passing score(s) were released by NASBA to the Candidate or the Board, as the case may be, and continue for eighteen (18) months from that date. If all required Test Section(s) are not passed within this next rolling eighteen (18) month period, credit for the second Test Section(s) passed shall expire and a new rolling eighteen (18) month period will begin on the date the next Test Section passing score, if any, was released by NASBA to the Candidate or the Board, as the case may be, and this cycle of eighteen (18) month rolling periods and Test Section credit expirations will continue until all Test Sections are passed within one eighteen (18) month rolling period. Notwithstanding the foregoing, if a Candidate stops testing for an eighteen (18) month period, then all credit for previously passed Test Sections will expire.
- (b) A Candidate shall not retake a failed Test Section until the Candidate has been notified of the score for the most recent attempt of that failed Test Section.
- (c) A Candidate shall be deemed to have passed the examination if the Candidate obtains credit for passing all required Test Sections in one rolling eighteen (18) month period.
- (d) A Candidate shall retain credit for any and all required Test Sections of the examination passed as a Candidate of another state if such credit would have been given under then applicable requirements in this State.
- (e) Notwithstanding subsections (a), (b), and (c) of this Rule, the period of time in which to pass all required Test Sections of the examination may be extended by the Board upon a showing that the credit was lost by reason or circumstances beyond the Candidate's control.