

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

December 1, 9:00 a.m. (CST)

A=Action
D=Discussion
I=Information

A. Call to Order.....	Budahl
B. Public Comment.....	Oratory
C. A-Approval of Minutes of Meeting October 26, 2021.....	2-3
D. A-Approval of Certificates & Firm Permits.....	4-5
E. A-Approval of Financial Statements through October 2021.....	6-16
F. A-CPE Audit Review Committee.....	17-18
G. A-Notice to Schedule Policy Committee.....	19
H. A- Report to Board on Grades.....	20-21
I. D-Executive Director's Report.....	22

EXECUTIVE SESSION

J. Peer Reviews, Follow-up and Enforcement Cases for Board Approval... Spt. Pkt.

FUTURE MEETING DATES (all times CT)

K. Meeting Dates
TBD

L. Adjournment

Meeting Minutes
SOUTH DAKOTA BOARD OF ACCOUNTANCY

October 26, 2021 8:30 a.m. CDT

Chair Deidre Budahl called the meeting to order at 8:30 a.m. 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; and Graham Oey, Staff Attorney.

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

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

Jeff Strand made a motion to approve the September 28, 2021 meeting minutes. David Pummel seconded the motion. **MOTION PASSED.**

David Pummel made a motion to approve the issuance of certificates and firm permits through October 19, 2021. Jeff Smith seconded the motion. **MOTION PASSED.**

Jay Tolsma made a motion to approve the financial statements through September 2021. Jeff Strand seconded the motion. **MOTION PASSED.**

The Board discussed changes to the CPE Audit Failure Guidelines for Consent Agreements Policy. Official action on the recommendations were tabled until the December 1, 2021 meeting.

The Board discussed changes to the Notice to Schedule expiration date from one year to six months. Official action on the recommendation was tabled until the December 1, 2021 meeting.

The Board reviewed the report on the CPA exam grades for the 70th Window. Action was tabled until the December 1, 2021 meeting.

Executive Director Kasin discussed her report with an update on CPE extensions, CPE audits, CPA Exam statistics sent to SD colleges/universities, NASBA's Annual Meeting November 2-November 3, 2021 moved to virtual, and CPA Evolution.

The Board discussed AICPA Board of Examiners 3Q21 Meeting Highlights.

Jeff Strand made a motion at 9:04 a.m. to enter executive session for the deliberative process for a peer review follow-up and enforcement cases. Russell Olson seconded the motion. **MOTION PASSED.**

The Board came out of executive session at 9:09 a.m.

Jeff Smith made a motion to accept the peer review follow-up and enforcements as discussed in executive session. Jay Tolsma seconded the motion. **MOTION PASSED.**

FUTURE MEETING DATES (all times CT)
December 1, 2021 – 9:00 a.m. Zoom meeting

David Pummel made a motion to adjourn the meeting. Russell Olson seconded the motion.
MOTION PASSED.

All business having come before the board was concluded and Chair Deidre Budahl adjourned the meeting at 9:11 a.m.

Deidre Budahl
Deidre Budahl, CPA, Chair

10 11 12
Attest: Nicole Kasin
Nicole Kasin, Executive Director

11 11 12
Jeff Smith
Jeff Smith, Sec/Treasurer

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES
BOARD COPY**

Issued Through November 23, 2021

Number	Name	Date Issued	Location
3552	Liezl Culminas Jamieson	10/28/21	North Providence, RI
3553	Arnold Gonzalez	11/04/21	Houston, TX
3554	Lindsey Rose Vogl	11/08/21	Sioux Falls, SD
3555	Laura Beth Heeringa	11/08/21	Sioux Falls, SD
3556	Anthony David Ourada	11/09/21	Sioux Falls, SD

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

**Issued Through
November 23, 2021**

Number	Name	Date Issued	Basis/Comments
1765	WCG, Inc. Colorado Springs, CO	11/15/21	New Firm

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	532,543.99	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			532,543.99	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			532,543.99	DR **	
BUDGET UNIT TOTAL 1031			532,543.99	DR ***	

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 10/31/2021

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 APPL # OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
COMPANY NO 6503										
COMPANY NAME PROFESSIONAL & LICENSING BOARDS										
6503	103100061802	51010100	CGEX210928	10/01/2021					2,814.23	DR
6503	103100061802	51010100	CGEX211013	10/15/2021					2,909.56	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES										
6503	103100061802	51010200	CGEX210928	10/01/2021					5,723.79	DR
6503	103100061802	51010200	CGEX210928	10/15/2021					2,092.11	DR
6503	103100061802	51010200	CGEX211013	10/15/2021					2,121.07	DR
OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES										
OBJECT: 5101 EMPLOYEE SALARIES										
6503	103100061802	51020100	CGEX210928	10/01/2021					9,936.97	DR
6503	103100061802	51020100	CGEX210928	10/15/2021					300.78	DR
6503	103100061802	51020100	CGEX211013	10/15/2021					309.82	DR
OBJSUB: 5102010 OASI-EMPLOYER'S SHARE										
6503	103100061802	51020200	CGEX210928	10/01/2021					610.60	DR
6503	103100061802	51020200	CGEX210928	10/15/2021					294.36	DR
6503	103100061802	51020200	CGEX211013	10/15/2021					301.82	DR
OBJSUB: 5102020 RETIREMENT-ER SHARE										
6503	103100061802	51020600	CGEX210928	10/01/2021					596.18	DR
6503	103100061802	51020600	CGEX211013	10/15/2021					1,253.64	DR
6503	103100061802	51020600	CGEX211013	10/15/2021					1,264.60	DR
OBJSUB: 5102060 HEALTH/LIFE INS -ER SHARE										
6503	103100061802	51020800	CGEX210928	10/01/2021					2,518.24	DR
6503	103100061802	51020800	CGEX211013	10/15/2021					6.86	DR
6503	103100061802	51020800	CGEX211013	10/15/2021					7.04	DR
OBJSUB: 5102080 WORKER'S COMPENSATION										
6503	103100061802	51020900	CGEX210928	10/01/2021					13.90	DR
6503	103100061802	51020900	CGEX211013	10/15/2021					.48	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION										
OBJECT: 5102 EMPLOYEE BENEFITS										
GROUP: 51 PERSONAL SERVICES										
6503	103100061802	52030200	CGEX211021	10/22/2021					32.20	DR
OBJSUB: 5203020 AUTO PRIV (IN-ST.) L/RTE										
OBJECT: 5203 TRAVEL										
6503	103100061802	52041800	DP209099	10/27/2021					32.20	DR
OBJSUB: 5204180 COMPUTER SERVICES-STATE										
OBJECT: 5204 PL209059										
6503	103100061802	52042000	IN879589	10/22/2021					520.05	DR
OBJSUB: 5204200 CENTRAL SERVICES										
OBJECT: 5204 IN879589										
6503	103100061802	52042200	10/20/2021	02417007	ABBUSINESS	12036980			259.78	DR
OBJSUB: 5204220 EQUIPMENT SERV & MAINT										
OBJECT: 5204220 221001 JUL-JUN22 10/15/2021 716357										
6503	103100061802	52042300	221001 JUL-JUN22	10/15/2021	716357	SUNSETOFF1	12627537		83.36	DR
OBJSUB: 52042300										

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 10/31/2021

AGENCY BUDGET CENTER	UNIT	LABOR & REGULATION BOARD OF ACCOUNTANCY - INFO BOARD OF ACCOUNTANCY	COMP	CENTER	ACCOUNT	DOCUMENT NUMBER	POSTING DATE	JV ACPVL OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
1031000061802	5204230	JANITORIAL & MAINT SERV	6503	1031000061802	52044900	ACCOUNTRENT21-22	10/08/2021	712578	MCGINNISRO	12074040		1,380.75	DR *
1031000061802	5204490	RENTS-PRIVATE OWNED PROP.	6503	1031000061802	52045300	TI209154	10/15/2021	00043809	ATTMOBILIT	12279233		1,380.75	DR *
1031000061802	5204530	TELECOMMUNICATIONS SERVS	6503	1031000061802	52045400	8381416X09242021	10/06/2021	02415164	XCELENERGY	12023853		112.21	DR
1031000061802	5204540	ELECTRICITY	6503	1031000061802	52045400	51594117006 0921	10/08/2021	02415164	XCELENERGY	12023853		103.24	DR
1031000061802	5204740	BANK FEES AND CHARGES	6503	1031000061802	52049600	CT102A-012	10/13/2021	289002	NATIONALIAS	12005047		121.68	DR *
1031000061802	5204960	OTHER CONTRACTUAL SERVICE	6503	1031000061802	52050200	0467668	10/27/2021	00749722	HPINC	12125515	11	111.62	DR *
1031000061802	5205020	OFFICE SUPPLIES	6503	1031000061802	52053200	30167	10/06/2021	00749722	PREFERREDP	12308425		4,358.58	DR **
1031000061802	5205320	PRINTING-COMMERCIAL SUPPLIES & MATERIALS	6503	1031000061802	5228000	T102-041	10/20/2021	00749722	PREFERREDP	12308425		7,196.58	DR **
1031000061802	5228000	OPER TRANS OUT -NON BUDGT	6503	1031000061802	5228000		10/20/2021	00749722	PREFERREDP	12308425		4.37	DR **
1031000061802	5228000	NONOP EXP/NONBGTD OP TR	6503	1031000061802	5228000		10/22/2021	00750423	HPINC	12125515	11	3.34	DR
1031000061802	5228000	OPERATING EXPENSES	6503	1031000061802	5228000		10/06/2021	00749722	PREFERREDP	12308425		7.71	DR *
1031000061802	5228000	OPERATING EXPENSES	6503	1031000061802	5228000		10/06/2021	00749722	PREFERREDP	12308425		18.25	DR
1031000061802	5228000	OPERATING EXPENSES	6503	1031000061802	5228000		10/06/2021	00749722	PREFERREDP	12308425		25.55	DR
1031000061802	5228000	OPERATING EXPENSES	6503	1031000061802	5228000		10/06/2021	00749722	PREFERREDP	12308425		43.80	DR *
1031000061802	5228000	OPERATING EXPENSES	6503	1031000061802	5228000		10/06/2021	00749722	PREFERREDP	12308425		51.51	DR **
1031000061802	5228000	OPERATING EXPENSES	6503	1031000061802	5228000		10/06/2021	00749722	PREFERREDP	12308425		699.22	DR
1031000061802	5228000	OPERATING EXPENSES	6503	1031000061802	5228000		10/06/2021	00749722	PREFERREDP	12308425		699.22	DR **
1031000061802	5228000	OPERATING EXPENSES	6503	1031000061802	5228000		10/06/2021	00749722	PREFERREDP	12308425		7,979.51	DR ***
1031000061802	5228000	OPERATING EXPENSES	6503	1031000061802	5228000		10/06/2021	00749722	PREFERREDP	12308425		21,656.36	DR *****
1031000061802	5228000	OPERATING EXPENSES	6503	1031000061802	5228000		10/06/2021	00749722	PREFERREDP	12308425		21,656.36	DR *****

South Dakota Board of Accountancy
Balance Sheet
As of October 31, 2021

	Oct 31, 21
ASSETS	
Current Assets	
Checking/Savings	
1130000 · Local Checking - Great Western	384.53
1140000 · Pool Cash State of SD	532,543.99
Total Checking/Savings	532,928.52
Other Current Assets	
1131000 · Interest Income Receivable	13,325.47
1213000 · Investment Income Receivable	1,076.95
Total Other Current Assets	14,402.42
Total Current Assets	547,330.94
Fixed Assets	
1670000 · Computer Software	
Original Cost	34,075.00
1770000 · Depreciation	-19,877.20
Total 1670000 · Computer Software	14,197.80
Total Fixed Assets	14,197.80
TOTAL ASSETS	561,528.74
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	593.05
Total Accounts Payable	593.05
Other Current Liabilities	
2430000 · Accrued Wages Payable	11,070.40
2810000 · Amounts Held for Others	28,486.84
Total Other Current Liabilities	39,557.24
Total Current Liabilities	40,150.29
Long Term Liabilities	
2960000 · Compensated Absences Payable	30,386.76
Total Long Term Liabilities	30,386.76
Total Liabilities	70,537.05
Equity	
3220000 · Net Position	303,626.94
3300100 · Invested In Capital Assets	14,198.08
3900 · Retained Earnings	6,327.98
Net Income	166,838.69
Total Equity	490,991.69
TOTAL LIABILITIES & EQUITY	561,528.74

South Dakota Board of Accountancy
Profit & Loss Budget vs. Actual
July through October 2021

	Jul - Oct 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	800.00	2,500.00	-1,700.00	32.0%
4293551 · Certificate Renewals-Active	65,140.00	62,500.00	2,640.00	104.2%
4293552 · Certificate Renewals-Inactive	19,750.00	21,000.00	-1,250.00	94.0%
4293553 · Certificate Renewals-Retired	1,610.00	1,450.00	160.00	111.0%
4293554 · Initial Firm Permits	200.00	700.00	-500.00	28.6%
4293555 · Firm Permit Renewals	14,900.00	14,500.00	400.00	102.8%
4293556 · Notification	0.00	0.00	0.00	0.0%
4293557 · Initial Audit	210.00	900.00	-690.00	23.3%
4293558 · Re-Exam Audit	646.12	2,460.00	-1,813.88	26.3%
4293559 · Out of State Proctoring Fees	0.00	0.00	0.00	0.0%
4293560 · Late Fees-Initial Certificate	50.00	0.00	50.00	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	650.00	500.00	150.00	130.0%
4293564 · Late Fees-Peer Review	550.00	1,300.00	-750.00	42.3%
4293566 · Firm Permit Owners	127,885.00	109,000.00	18,885.00	117.3%
4293567 · Peer Review Admin Fee	600.00	5,500.00	-4,900.00	10.9%
4293568 · Firm Permit Name Change	25.00	100.00	-75.00	25.0%
4293569 · Initial FAR	330.00	1,140.00	-810.00	28.9%
4293570 · Initial REG	210.00	660.00	-450.00	31.8%
4293571 · Initial BEC	210.00	930.00	-720.00	22.6%
4293572 · Re-Exam FAR	660.00	1,860.00	-1,200.00	35.5%
4293573 · Re-Exam REG	630.00	2,310.00	-1,680.00	27.3%
4293574 · Re-Exam BEC	360.00	2,310.00	-1,950.00	15.6%
4491000 · Interest and Dividend Revenue	7,149.03	5,500.00	1,649.03	130.0%
4595100 · Mailings	0.00	0.00	0.00	0.0%
4885000 · Other Exam Revenue	0.00	0.00	0.00	0.0%
4896021 · Legal Recovery Cost	3,101.89	1,000.00	2,101.89	310.2%
4920045 · Undistributed Earnings	0.00	0.00	0.00	0.0%
4950000 · Prior Period Refund Account	0.00	0.00	0.00	0.0%
Total Income	248,417.04	241,120.00	7,297.04	103.0%
Expense				
5101000 · Annual/Sick Leave Compensation	0.00	0.00	0.00	0.0%
5101010 · F-T Emp Sal & Wages	22,728.18	86,257.00	-63,528.82	26.3%
5101020 · P-T/Temp Emp Sal & Wages	17,207.48	45,096.00	-27,888.52	38.2%
5101030 · Board & Comm Mbrs Fees	1,980.00	4,969.00	-2,989.00	39.8%
5102010 · OASI-Employer's Share	2,612.57	10,048.00	-7,435.43	26.0%
5102020 · Retirement-ER Share	2,396.15	7,881.00	-5,484.85	30.4%
5102060 · Health /Life Ins.-ER Share	10,054.95	10,809.00	-754.05	93.0%
5102080 · Worker's Compensation	55.90	276.00	-220.10	20.3%
5102090 · Unemployment Insurance	3.67	131.00	-127.33	2.8%
5203010 · Auto--State Owned	0.00	250.00	-250.00	0.0%
5203020 · Auto-Private-Ownes Low Mileage	141.22	400.00	-258.78	35.3%
5203030 · In State-Auto- Priv. High Miles	687.96	1,500.00	-812.04	45.9%
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%

South Dakota Board of Accountancy
Profit & Loss Budget vs. Actual
July through October 2021

	Jul - Oct 21	Budget	\$ Over Budget	% of Budget
5203100 · In State-Lodging	169.00	1,000.00	-831.00	16.9%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203130 · Nonemployment Travel	0.00	0.00	0.00	0.0%
5203140 · InState-Tax Meals Not OverNigt	42.00	100.00	-58.00	42.0%
5203150 · InState-Non-Tax Meals OverNigt	94.00	400.00	-306.00	23.5%
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%
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	0.00	1,000.00	-1,000.00	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	0.00	22,000.00	-22,000.00	0.0%
5204060 · Consultant Fees-Educat/Training	0.00	0.00	0.00	0.0%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204130 · Consultant Fees-Other	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	0.00	7,500.00	-7,500.00	0.0%
5204180 · Computer Services-State	1,040.10	5,000.00	-3,959.90	20.8%
5204181 · Computer Development Serv-State	162.50	2,000.00	-1,837.50	8.1%
5204190 · Computer Services-Private	0.00	0.00	0.00	0.0%
5204200 · Central Services	2,604.75	9,000.00	-6,395.25	28.9%
5204220 · Equipment Service & Maintenance	19.24	300.00	-280.76	6.4%
5204230 · Janitorial/Maintenance Services	581.24	1,825.00	-1,243.76	31.8%
5204320 · Audit Services-Private	0.00	0.00	0.00	0.0%
5204330 · Computer Software Lease	714.70	0.00	714.70	100.0%
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	988.36	4,000.00	-3,011.64	24.7%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	5,523.00	16,569.00	-11,046.00	33.3%
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	628.83	5,500.00	-4,871.17	11.4%
5204540 · Electricity	235.98	900.00	-664.02	26.2%
5204560 · Water	44.70	240.00	-195.30	18.6%
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	3,512.47	6,500.00	-2,987.53	54.0%
5204960 · Other Contractual Services	0.00	0.00	0.00	0.0%
5205020 · Office Supplies	156.98	3,000.00	-2,843.02	5.2%
5205028 · OFFICE SUPPLIES-2	0.00	0.00	0.00	0.0%
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	65.70	500.00	-434.30	13.1%
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	0.00	2,000.00	-2,000.00	0.0%
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	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	2,033.68	8,000.00	-5,966.32	25.4%

South Dakota Board of Accountancy
Profit & Loss Budget vs. Actual
 July through October 2021

	Jul - Oct 21	Budget	\$ Over Budget	% of Budget
5228030 · Depreciation Expense	1,893.04	5,679.12	-3,786.08	33.3%
66000 · Payroll Expenses	0.00	0.00	0.00	0.0%
Total Expense	81,578.35	311,290.12	-229,711.77	26.2%
Net Ordinary Income	166,838.69	-70,170.12	237,008.81	-237.8%
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%
Net Income	166,838.69	-70,170.12	237,008.81	-237.8%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
October 2021

	Oct 21	Oct 20	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	200.00	500.00	-300.00	-60.0%
4293551 · Certificate Renewals-Active	350.00	150.00	200.00	133.3%
4293552 · Certificate Renewals-Inactive	100.00	200.00	-100.00	-50.0%
4293553 · Certificate Renewals-Retired	10.00	0.00	10.00	100.0%
4293554 · Initial Firm Permits	150.00	0.00	150.00	100.0%
4293555 · Firm Permit Renewals	50.00	0.00	50.00	100.0%
4293557 · Initial Audit	30.00	90.00	-60.00	-66.7%
4293558 · Re-Exam Audit	120.00	270.00	-150.00	-55.6%
4293561 · Late Fees-Certificate Renewals	500.00	300.00	200.00	66.7%
4293563 · Late Fees-Firm Permit Renewals	50.00	0.00	50.00	100.0%
4293566 · Firm Permit Owners	455.00	0.00	455.00	100.0%
4293568 · Firm Permit Name Change	25.00	0.00	25.00	100.0%
4293569 · Initial FAR	60.00	150.00	-90.00	-60.0%
4293570 · Initial REG	60.00	90.00	-30.00	-33.3%
4293571 · Inital BEC	90.00	90.00	0.00	0.0%
4293572 · Re-Exam FAR	180.00	-38.40	218.40	568.8%
4293573 · Re-Exam REG	210.00	180.00	30.00	16.7%
4293574 · Re-Exam BEC	60.00	90.00	-30.00	-33.3%
4896021 · Legal Recovery Cost	1,000.00	0.00	1,000.00	100.0%
Total Income	3,700.00	2,071.60	1,628.40	78.6%
Expense				
5101010 · F-T Emp Sal & Wages	5,723.79	7,853.74	-2,129.95	-27.1%
5101020 · P-T/Temp Emp Sal & Wages	4,213.18	4,725.98	-512.80	-10.9%
5101030 · Board & Comm Mbrs Fees	0.00	240.00	-240.00	-100.0%
5102010 · OASI-Employer's Share	610.60	869.27	-258.67	-29.8%
5102020 · Retirement-ER Share	596.18	701.58	-105.40	-15.0%
5102060 · Health /Life Ins.-ER Share	2,518.24	2,747.19	-228.95	-8.3%
5102080 · Worker's Compensation	13.90	22.65	-8.75	-38.6%
5102090 · Unemployment Insurance	0.96	12.58	-11.62	-92.4%
5203020 · Auto-Private-Ownes Low Mileage	32.20	0.00	32.20	100.0%
5204050 · Consultant Fees - Computer	0.00	1,918.13	-1,918.13	-100.0%
5204180 · Computer Services-State	0.00	1,011.60	-1,011.60	-100.0%
5204200 · Central Services	348.66	259.03	89.63	34.6%
5204220 · Equipment Service & Maintenance	4.36	5.10	-0.74	-14.5%
5204230 · Janitorial/Maintenance Services	145.31	142.46	2.85	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	215.45	300.27	-84.82	-28.3%
5204540 · Electricity	58.65	0.00	58.65	100.0%
5204560 · Water	0.00	10.00	-10.00	-100.0%
5204740 · Bank Fees and Charges	111.62	131.22	-19.60	-14.9%
5205020 · Office Supplies	7.71	0.00	7.71	100.0%
5205028 · OFFICE SUPPLIES-2	0.00	9.17	-9.17	-100.0%
5205320 · Printing/Duplicating/Binding Co	0.00	20.70	-20.70	-100.0%
5207900 · Computer Hardware	0.00	640.78	-640.78	-100.0%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
October 2021

	<u>Oct 21</u>	<u>Oct 20</u>	<u>\$ Change</u>	<u>% Change</u>
5228000 · Operating Transfers Out-NonBudg	699.22	599.43	99.79	16.7%
5228030 · Depreciation Expense	473.26	473.26	0.00	0.0%
Total Expense	<u>17,233.04</u>	<u>24,153.89</u>	<u>-6,920.85</u>	<u>-28.7%</u>
Net Ordinary Income	<u>-13,533.04</u>	<u>-22,082.29</u>	<u>8,549.25</u>	<u>38.7%</u>
Net Income	<u><u>-13,533.04</u></u>	<u><u>-22,082.29</u></u>	<u><u>8,549.25</u></u>	<u><u>38.7%</u></u>

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
 July through October 2021

	Jul - Oct 21	Jul - Oct 20	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	800.00	1,150.00	-350.00	-30.4%
4293551 · Certificate Renewals-Active	65,140.00	66,700.00	-1,560.00	-2.3%
4293552 · Certificate Renewals-Inactive	19,750.00	21,250.00	-1,500.00	-7.1%
4293553 · Certificate Renewals-Retired	1,610.00	1,480.00	130.00	8.8%
4293554 · Initial Firm Permits	200.00	50.00	150.00	300.0%
4293555 · Firm Permit Renewals	14,900.00	15,550.00	-650.00	-4.2%
4293557 · Initial Audit	210.00	120.00	90.00	75.0%
4293558 · Re-Exam Audit	646.12	570.00	76.12	13.4%
4293560 · Late Fees-Initial Certificate	50.00	50.00	0.00	0.0%
4293561 · Late Fees-Certificate Renewals	2,750.00	2,550.00	200.00	7.8%
4293563 · Late Fees-Firm Permit Renewals	650.00	750.00	-100.00	-13.3%
4293564 · Late Fees-Peer Review	550.00	1,200.00	-650.00	-54.2%
4293566 · Firm Permit Owners	127,885.00	122,340.00	5,545.00	4.5%
4293567 · Peer Review Admin Fee	600.00	1,575.00	-975.00	-61.9%
4293568 · Firm Permit Name Change	25.00	0.00	25.00	100.0%
4293569 · Initial FAR	330.00	360.00	-30.00	-8.3%
4293570 · Initial REG	210.00	120.00	90.00	75.0%
4293571 · Inital BEC	210.00	120.00	90.00	75.0%
4293572 · Re-Exam FAR	660.00	420.00	240.00	57.1%
4293573 · Re-Exam REG	630.00	480.00	150.00	31.3%
4293574 · Re-Exam BEC	360.00	390.00	-30.00	-7.7%
4491000 · Interest and Dividend Revenue	7,149.03	11,016.74	-3,867.71	-35.1%
4896021 · Legal Recovery Cost	3,101.89	0.00	3,101.89	100.0%
Total Income	248,417.04	248,241.74	175.30	0.1%
Expense				
5101010 · F-T Emp Sal & Wages	22,728.18	24,075.38	-1,347.20	-5.6%
5101020 · P-T/Temp Emp Sal & Wages	17,207.48	14,976.93	2,230.55	14.9%
5101030 · Board & Comm Mbrs Fees	1,980.00	1,440.00	540.00	37.5%
5102010 · OASI-Employer's Share	2,612.57	2,761.69	-149.12	-5.4%
5102020 · Retirement-ER Share	2,396.15	2,191.01	205.14	9.4%
5102060 · Health /Life Ins.-ER Share	10,054.95	8,311.39	1,743.56	21.0%
5102080 · Worker's Compensation	55.90	70.26	-14.36	-20.4%
5102090 · Unemployment Insurance	3.67	39.10	-35.43	-90.6%
5203020 · Auto-Private-Ownes Low Mileage	141.22	0.00	141.22	100.0%
5203030 · In State-Auto- Priv. High Miles	687.96	0.00	687.96	100.0%
5203100 · In State-Lodging	169.00	0.00	169.00	100.0%
5203140 · InState-Tax Meals Not OverNigt	42.00	0.00	42.00	100.0%
5203150 · InState-Non-Tax Meals OverNight	94.00	0.00	94.00	100.0%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204050 · Consultant Fees - Computer	0.00	3,836.26	-3,836.26	-100.0%
5204180 · Computer Services-State	1,040.10	2,529.00	-1,488.90	-58.9%
5204181 · Computer Development Serv-State	162.50	120.40	42.10	35.0%
5204200 · Central Services	2,604.75	1,839.74	765.01	41.6%
5204220 · Equipment Service & Maintenance	19.24	27.57	-8.33	-30.2%
5204230 · Janitorial/Maintenance Services	581.24	569.84	11.40	2.0%
5204330 · Computer Software Lease	714.70	0.00	714.70	100.0%
5204460 · Equipment Rental	988.36	1,067.36	-79.00	-7.4%
5204490 · Rents Privately Owned Property	5,523.00	5,523.00	0.00	0.0%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
July through October 2021

	<u>Jul - Oct 21</u>	<u>Jul - Oct 20</u>	<u>\$ Change</u>	<u>% Change</u>
5204530 · Telecommunications Services	628.83	986.89	-358.06	-36.3%
5204540 · Electricity	235.98	133.56	102.42	76.7%
5204560 · Water	44.70	38.89	5.81	14.9%
5204740 · Bank Fees and Charges	3,512.47	4,473.32	-960.85	-21.5%
5205020 · Office Supplies	156.98	55.60	101.38	182.3%
5205028 · OFFICE SUPPLIES-2	0.00	11.45	-11.45	-100.0%
5205320 · Printing/Duplicating/Binding Co	65.70	55.20	10.50	19.0%
5207900 · Computer Hardware	0.00	640.78	-640.78	-100.0%
5228000 · Operating Transfers Out-NonBudg	2,033.68	2,193.38	-159.70	-7.3%
5228030 · Depreciation Expense	1,893.04	1,893.04	0.00	0.0%
Total Expense	<u>81,578.35</u>	<u>83,061.04</u>	<u>-1,482.69</u>	<u>-1.8%</u>
Net Ordinary Income	<u>166,838.69</u>	<u>165,180.70</u>	<u>1,657.99</u>	<u>1.0%</u>
Net Income	<u><u>166,838.69</u></u>	<u><u>165,180.70</u></u>	<u><u>1,657.99</u></u>	<u><u>1.0%</u></u>

CPE Audit Failure Guidelines for Consent Agreements Policy

11-19-21

From the October 26, 2021 board meeting discussion, this topic was tabled until the December meeting for action. Pursuant to SDCL 1-27-1.18, the governing body shall delay taking any official action on the recommendations, findings, or reports until the next meeting of the governing body.

Proposed Consent Agreements will be made with these terms:

1. Licensees that failed their CPE audit shall make up the required hours within 90 days of the signed consent agreement by the board representative.
2. If a licensee has to roll hours back from prior years to fulfill CPE requirements, a CPE extension will be placed on their file.
3. Proof of documentation of completed CPE courses granted through the extensions must be filed with the board.
4. CPA will be required to undergo CPE audit for the next three renewal periods.
5. CPA will not be eligible to be granted an extension to complete CPE for the next three renewal periods.
6. CPA will be fined (as described in agreement) and must pay fine within 30 days of signed consent agreement by the board representative.
7. CPA will receive a public reprimand if they fail in a category of 4, 5, or 6 or use deception in their reporting.
8. If CPA has deception or fraud, CPA will be required to complete 8 hours of CPE. The course required to be completed is: Professional Ethics: the AICPA Comprehensive Course. The 8 hours of CPE will not be eligible to use towards any of the CPAs required hours for any renewal. The hours must be completed and proof submitted to the board within 90 days of the signed consent agreement by the board representative.
9. Failure to comply with the terms of the consent agreement will result in immediate suspension of the CPA license until the CPA is in compliance with the terms. The Board may take additional disciplinary action as outlined in SDCL 36-20B-40 when a CPA is not in compliance with the terms.

Proposed Fines for failure of CPE Audits:

Failed Level	Status	Fine Amount
1 criteria	Responsive to Requests	\$250
2 criteria	Responsive to Requests	\$300
3 criteria	Responsive to Requests	\$350
4 criteria	Responsive to Requests	\$400
5 criteria	Responsive to Requests	\$450
6 criteria	Responsive to Requests	\$500
Any category	Nonresponsive to Requests	The criteria fine is doubled
Any category	Deception/Fraud	\$1000

With a CPE audit there are 6 criteria in the 3 years to pass the audit. In each year of the audit the CPA must complete a minimum of 20 CPE hours. Then using the 3 year rolling period, the CPA must meet the minimum of 120 CPE hours total at the end of each of years being audited.

If an individual does not want to enter into a consent agreement with the Board, then the procedures for a notice of hearing will be followed.

Notes: Responsive defined 20:75:05:16

Subject to Review of CPE 20:75:04:11

Notice to Schedule(NTS) Policy Committee

11-22-21

From the October 26, 2021 board meeting discussion, this topic was tabled until the December meeting for action. Pursuant to SDCL 1-27-1.18, the governing body shall delay taking any official action on the recommendations, findings, or reports until the next meeting of the governing body.

The committee met to discuss the current NTS policy followed for CPA exams. The NTS is issued and grants the candidate the ability to go into the Prometric website and schedule their exam. The length of how long that NTS is valid for is what this discussion is on.

A review was conducted on the states to see how our NTS varies from others in the country.

South Dakota is one of three states to have a one-year NTS along with ND and VA. There are four states that have a nine-month NTS (CA, LA, UT and HI). One state has a 90-day NTS (TX). All other states utilize a six-month NTS for the exam.

Under prior conditions the paper and pencil exam was only offered two times a year on set dates. The candidate was required to pay and sit for all parts initially and then if they were conditioned, they paid a partial fee. Then the computerized exam started in 2004 and individuals were able to take each part of the exam up to 4 times a year, each exam section was allowed to be taken once per window. The individual paid per part for the exam(s) they applied for. The windows were each calendar quarter.

Since July 2020, the window of the exam was removed and continuous testing is offered. Once an individual sits for an exam and receives their score, if they didn't pass they can apply and sit immediately for that same part. The individual is only required to pay for the part they are applying for.

The board created an online re-exam application process which has been operational since August 2012.

Computerized testing also brought more opportunities to sit in a location anywhere in the world that was most convenient for the applicant.

From the committee discussion here is the recommendation for change: the NTS be changed from one year to six months effective date starting July 1, 2022.

REPORT TO BOARD ON GRADES

Nicole Kasin

The grades were posted for review for the 70th window. These grades are through September 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 1-70

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

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

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

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

Count of Score	Section				Grand Total
School	AUD	BEC	FAR	REG	
Augie	123	120	119	132	494
BHSU	149	145	137	127	558
COTech	23	21	14	14	72
DSU	35	28	32	25	120
DWU	36	27	29	29	121
Mt. Marty	26	29	17	20	92
NAU	16	23	27	25	91
NSU	111	136	96	117	460
OS	350	345	364	340	1399
SDSU	48	45	36	43	172
USD	370	364	369	358	1461
USF	111	103	107	87	408
Grand Total	1398	1386	1347	1317	5448

Average for past 8 windows (3 or more parts)

Window	(Multiple Items)
--------	------------------

Average of Score	Section				Grand Total
School	AUD	BEC	FAR	REG	
Augie	81	85	81	81	82
BHSU	75	78	75	69	74
DSU	63	72	65		65
DWU	65	70	71	69	68
NSU	82	68	65	71	71
OS	76	80	70	75	74
USD	72	77	66	70	71
USF	67	83	74	77	74
Grand Total	72	77	70	73	73

The Board needs to ratify the scores of the 2021-3 (70th Window) grades.

EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

CPE Extensions

There were 57 administrative extensions granted for the CPE reporting period ending June 30, 2021 through 9-22-21. The extensions are valid through 9-30-21. All licensees have completed this process.

CPE Audits

The list of licensees has been selected for CPE audits and letters were sent out to those selected on September 21, 2021. The documentation was due in our office no later than October 30, 2021. The following is the current status of the audits as of November 22, 2021:

	Selected	Complied	Not Complied	Granted Extension	Approved CPE Audit	Failed CPE Audit
CPA (Active)	126	125	1	0	103	0
CPA – Out of State Affidavit	135				135	

NASBA Issues/Topics

1. 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
 1. Responses received from colleges/universities did not have any negative feedback with making this proposal change.
 - 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)
 1. Responses received from colleges/universities did not indicate they used a different program for data analytics, they had this in their accounting or business courses
 - iii. A maximum of 9 credit hours for internship/independent study
 1. Responses received from colleges/universities did not have any negative feedback with making this proposal change
- b. Implementation proposed for January 2024

Board AUP

Documentation was submitted to the auditor for the AUP period ending June 30, 2021 and our processes to be reviewed have been discussed with the auditor on November 4. The draft report should be issued in the next few weeks.

Board Discussion

- Any New Business/topics?