

Meeting Agenda
SOUTH DAKOTA BOARD OF ACCOUNTANCY

Zoom Meeting – Conference Call

<https://state-sd.zoom.us/j/95741861303?pwd=MUdaRic5ZEgxK0ZtNWpYbnRSbFptdz09>

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

December 2, 2020, 9:00 a.m. (CT)

A=Action
D=Discussion
I=Information

A. Call to Order.....	Budahl
B. Public Comment.....	Oratory
C. A-Approval of Minutes of Meeting October 29, 2020.....	2-3
D. A-Approval of Certificates.....	4
E. A-Approval of Financial Statements through October 2020.....	5-15
F. D-Executive Director's Report.....	16-17

NASBA

G. D- Board of Directors Meeting Minutes July 24, 2020.....	18-28
H. D- Board of Directors Meeting Highlights Oct 30 & Nov 3, 2020.....	29-31
I. A- Quarterly Focus Questions.....	32-33
J. D-Executive Summary and Responses October Focus Questions.....	34-46

EXECUTIVE SESSION

K. Equivalent Reviews for Board Approval.....	Spt. Pkt.
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FUTURE MEETING DATES (all times CT)

- L. Meeting Dates
January 13, 2021 – 9:00 Zoom Meeting
March 24, 2021 – 9:00 Zoom Meeting

- M. Adjournment

Meeting Minutes
SOUTH DAKOTA BOARD OF ACCOUNTANCY

Zoom Meeting
October 29, 2020 9:00 a.m. CT

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; Graham Oey, Staff Attorney;

Jeff Strand made a motion to approve the agenda. 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)

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

David Pummel made a motion to approve the September 23, 2020 meeting minutes. 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)

Jeff Strand made a motion to approve the issuance of certificates through October 20, 2020. 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)

Jeff Strand made a motion to approve the financial statements through September 2020. 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)

The Board discussed the requests for a second CPE extension for Jason Zanderson and Joshua Soodsma.

David Pummel made a motion to grant the second CPE extension request from Jason Zanderson through December 31, 2020, based on Zanderson meeting the requirements of ARSD 20:75:04:10. 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)

Russell Olson made a motion to grant the second CPE extension request from Joshua Soodsma through October 5, 2020, based on Soodsma meeting the requirements of ARSD 20:75:04:10. 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 Board reviewed the report on the CPA exam grades for the 66th Window.

Jay Tolsma made a motion to ratify the CPA exam scores for the 66th window through September 2020. 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)

Executive Director Kasin discussed her report with an update on renewals for individuals and firms, CPE extensions, CPE Audits, CPA Exam Statistics, and the NASBA Annual Meeting via Zoom being held November 2-4, 2020.

Jeff Smith made a motion to enter executive session for the deliberative process for peer reviews and a follow-up. 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 Board came out of executive session.

David Pummel made a motion to accept the peer reviews and follow-up as discussed in executive session. 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)

FUTURE MEETING DATES (all times CT)

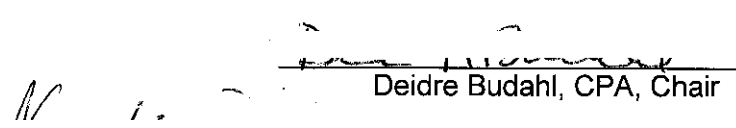
December 2, 2020 – 9:00 a.m. Zoom meeting

January 13, 2021 – 9:00 a.m. Zoom meeting


March 24, 2021 – 9:00 a.m. Zoom meeting

Russell Olson made a motion to adjourn the meeting. 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)

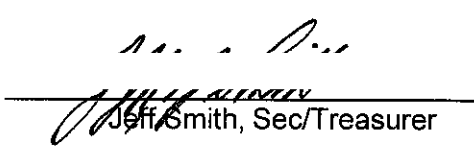
All business having come before the board was concluded and Chair Deidre Budahl adjourned the meeting at 9:33 a.m.



Deidre Budahl, CPA, Chair

Attest: 

Nicole Kasin, Executive Director



Jeff Smith, Sec/Treasurer

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES
BOARD COPY**

Issued Through November 23, 2020

Number	Name	Date Issued	Location
3497	Griffin JB York	11/05/20	Rapid City, SD
3498	Phillip Mark Millar	11/05/20	Rapid City, SD
3499	Ryan Bradford Benson	11/05/20	Sioux Falls, SD
3500	Trenton James Klimper	11/05/20	Sioux Falls, SD
3501	Houstyn Parker Heinz	11/05/20	Huron, SD
3502	Gerald W. Eick	11/05/20	Rapid City, SD
3503	James Madison Fisher	11/20/20	Riverside, CA
3504	Anna Elizabeth Pilcher	11/20/20	Sioux Falls, SD
3505	Amy Jolene Lilly	11/20/20	North Sioux City, SD

BA1409R1

STATE OF SOUTH DAKOTA
CASH CENTER BALANCES
AS OF: 10/31/2020

PAGE 140

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	512,731.41	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			512,731.41	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			512,731.41	DR **	
BUDGET UNIT TOTAL 1031			512,731.41	DR ***	

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 10/31/2020

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 PROFESSIONAL & LICENSING BOARDS										
6503	1031000061802	51010100	CGEX200927	10/02/2020					2,628.53	DR
6503	1031000061802	51010100	CGEX201014	10/16/2020					2,672.18	DR
6503	1031000061802	51010100	CGEX201028	10/31/2020					2,553.03	DR
OBJSUB: 5101010 F-T EMP SAL & WAGES										
6503	103100061802	51010200	CGEX200927	10/02/2020					7,853.74	DR
6503	103100061802	51010200	CGEX201014	10/16/2020					1,519.08	DR
6503	103100061802	51010200	CGEX201028	10/31/2020					1,531.30	DR
OBJSUB: 5101020 P-T/TEMP EMP SAL & WAGES										
6503	103100061802	51010300	CGEX200927	10/02/2020					4,725.98	DR
OBJSUB: 5101030 BOARD & COMM MBR'S FEES										
OBJECT: 5101 EMPLOYEE SALARIES										
6503	103100061802	51020100	CGEX200927	10/02/2020					240.00	DR
6503	103100061802	51020100	CGEX201014	10/16/2020					12,819.72	DR
6503	103100061802	51020100	CGEX201028	10/31/2020					298.47	DR
OBJSUB: 5102010 OASI-EMPLOYER'S SHARE										
6503	103100061802	51020200	CGEX200927	10/02/2020					869.27	DR
6503	103100061802	51020200	CGEX201014	10/16/2020					232.74	DR
6503	103100061802	51020200	CGEX201028	10/31/2020					239.68	DR
OBJSUB: 5102020 RETIREMENT-ER SHARE										
6503	103100061802	51020600	CGEX200927	10/02/2020					701.58	DR
6503	103100061802	51020600	CGEX201014	10/16/2020					917.18	DR
6503	103100061802	51020600	CGEX201028	10/31/2020					923.09	DR
OBJSUB: 5102060 HEALTH/LIFE INS.-ER SHARE										
6503	103100061802	51020800	CGEX200927	10/02/2020					2,747.19	DR
6503	103100061802	51020800	CGEX201014	10/16/2020					7.46	DR
6503	103100061802	51020800	CGEX201028	10/31/2020					7.57	DR
OBJSUB: 5102080 WORKER'S COMPENSATION										
6503	103100061802	51020900	CGEX200927	10/02/2020					22.65	DR
6503	103100061802	51020900	CGEX201014	10/16/2020					4.15	DR
6503	103100061802	51020900	CGEX201028	10/31/2020					4.21	DR
OBJSUB: 5102090 UNEMPLOYMENT COMPENSATION										
OBJECT: 5102 EMPLOYEE BENEFITS										
GROUP: 51 PERSONAL SERVICES										
6503	103100061802	52041800	DP109097	10/28/2020					17,172.99	DR
OBJSUB: 5204180 COMPUTER SERVICES-STATE										
6503	103100061802	52042000	PL109059	10/16/2020					505.80	DR
6503	103100061802	52042000	RM109047	10/28/2020					4,353.27	DR
OBJSUB: 5204200 COMPUTER SERVICES-STATE										
6503	103100061802	52042000	RM109047	10/28/2020					259.03	DR
6503	103100061802	52042000	RM109047	10/28/2020					100.76	DR

STATE OF SOUTH DAKOTA
MONTHLY EXPENDITURE REPORT
FOR PERIOD ENDING: 10/31/2020

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
									359.79	DR *
									84.91	DR
									84.10	DR
									84.91	DR
									253.92	DR *
									142.46	DR
									142.46	DR *
									1,380.75	DR *
									100.54	DR
									102.50	DR
									203.04	DR *
									14.23	DR *
									131.22	DR *
									131.22	DR *
									131.22	DR *
									10.00	DR
									6,654.15	DR
									6,664.15	DR *
									9,655.36	DR **
									55.60	DR
									3.84	DR
									5.33	DR
									64.77	DR *
									64.77	DR **
									640.78	DR **
									640.78	DR **
									599.43	DR
									640.78	DR **
									599.43	DR
									599.43	DR *
									599.43	DR **
									10,960.34	DR ***
									28,133.33	DR ****
									28,133.33	DR ****
									28,133.33	DR ****
									28,133.33	DR *****

South Dakota Board of Accountancy
Balance Sheet
As of October 31, 2020

	Oct 31, 20
ASSETS	
Current Assets	
Checking/Savings	
1130000 · Local Checking - Great Western	3,439.42
1140000 · Pool Cash State of SD	512,731.41
Total Checking/Savings	516,170.83
Other Current Assets	
1131000 · Interest Income Receivable	18,356.04
1213000 · Investment Income Receivable	2,086.30
Total Other Current Assets	20,442.34
Total Current Assets	536,613.17
Fixed Assets	
1670000 · Computer Software	
Original Cost	34,075.00
1770000 · Depreciation	-14,198.08
Total 1670000 · Computer Software	19,876.92
Total Fixed Assets	19,876.92
TOTAL ASSETS	556,490.09
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2110000 · Accounts Payable	6,205.07
Total Accounts Payable	6,205.07
Other Current Liabilities	
2430000 · Accrued Wages Payable	9,683.65
2810000 · Amounts Held for Others	26,039.42
Total Other Current Liabilities	35,723.07
Total Current Liabilities	41,928.14
Long Term Liabilities	
2960000 · Compensated Absences Payable	28,538.78
Total Long Term Liabilities	28,538.78
Total Liabilities	70,466.92
Equity	
3220000 · Net Position	297,947.82
3300100 · Invested In Capital Assets	19,877.20
3900 · Retained Earnings	2,414.64
Net Income	165,783.51
Total Equity	486,023.17
TOTAL LIABILITIES & EQUITY	556,490.09

South Dakota Board of Accountancy

Profit & Loss Budget vs. Actual

July through October 2020

	Jul - Oct 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,150.00	2,500.00	-1,350.00	46.0%
4293551 · Certificate Renewals-Active	66,700.00	62,500.00	4,200.00	106.7%
4293552 · Certificate Renewals-Inactive	21,250.00	21,000.00	250.00	101.2%
4293553 · Certificate Renewals-Retired	1,480.00	1,450.00	30.00	102.1%
4293554 · Initial Firm Permits	50.00	700.00	-650.00	7.1%
4293555 · Firm Permit Renewals	15,550.00	14,500.00	1,050.00	107.2%
4293557 · Initial Audit	120.00	900.00	-780.00	13.3%
4293558 · Re-Exam Audit	570.00	2,460.00	-1,890.00	23.2%
4293560 · Late Fees-Initial Certificate	50.00	0.00	50.00	100.0%
4293561 · Late Fees-Certificate Renewals	2,550.00	3,000.00	-450.00	85.0%
4293563 · Late Fees-Firm Permit Renewals	750.00	500.00	250.00	150.0%
4293564 · Late Fees-Peer Review	1,200.00	1,300.00	-100.00	92.3%
4293566 · Firm Permit Owners	122,340.00	109,000.00	13,340.00	112.2%
4293567 · Peer Review Admin Fee	1,575.00	5,500.00	-3,925.00	28.6%
4293568 · Firm Permit Name Change	0.00	100.00	-100.00	0.0%
4293569 · Initial FAR	360.00	1,140.00	-780.00	31.6%
4293570 · Initial REG	120.00	660.00	-540.00	18.2%
4293571 · Inital BEC	120.00	930.00	-810.00	12.9%
4293572 · Re-Exam FAR	420.00	1,860.00	-1,440.00	22.6%
4293573 · Re-Exam REG	480.00	2,310.00	-1,830.00	20.8%
4293574 · Re-Exam BEC	390.00	2,310.00	-1,920.00	16.9%
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%
Total Income	248,241.74	241,120.00	7,121.74	103.0%
Gross Profit	248,241.74	241,120.00	7,121.74	103.0%
Expense				
5101010 · F-T Emp Sal & Wages	24,075.38	86,257.00	-62,181.62	27.9%
5101020 · P-T/Temp Emp Sal & Wages	14,976.93	45,096.00	-30,119.07	33.2%
5101030 · Board & Comm Mbrs Fees	1,440.00	4,969.00	-3,529.00	29.0%
5102010 · OASI-Employer's Share	2,761.69	10,048.00	-7,286.31	27.5%
5102020 · Retirement-ER Share	2,191.01	7,881.00	-5,689.99	27.8%
5102060 · Health /Life Ins.-ER Share	8,311.39	10,809.00	-2,497.61	76.9%
5102080 · Worker's Compensation	70.26	276.00	-205.74	25.5%
5102090 · Unemployment Insurance	39.10	131.00	-91.90	29.8%
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-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	0.00	100.00	-100.00	0.0%
5203150 · InState-Non-Tax Meals OverNigt	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 through October 2020

	Jul - Oct 20	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	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	3,600.00	-3,600.00	0.0%
5204050 · Consultant Fees - Computer	3,836.26	15,000.00	-11,163.74	25.6%
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	2,023.20	5,000.00	-2,976.80	40.5%
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	1,839.74	9,000.00	-7,160.26	20.4%
5204220 · Equipment Service & Maintenance	27.57	300.00	-272.43	9.2%
5204230 · Janitorial/Maintenance Services	569.84	1,725.00	-1,155.16	33.0%
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	1,067.36	4,000.00	-2,932.64	26.7%
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	889.88	5,500.00	-4,610.12	16.2%
5204540 · Electricity	133.56	865.00	-731.44	15.4%
5204560 · Water	38.89	240.00	-201.11	16.2%
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	4,473.32	6,500.00	-2,026.68	68.8%
5204960 · Other Contractual Services	0.00	0.00	0.00	0.0%
5205020 · Office Supplies	55.60	3,000.00	-2,944.40	1.9%
5205028 · OFFICE SUPPLIES-2	11.45	0.00	11.45	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	55.20	500.00	-444.80	11.0%
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	0.00	2,000.00	-2,000.00	0.0%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207440 · Filling 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	2,193.38	8,000.00	-5,806.62	27.4%
5228030 · Depreciation Expense	1,893.04	5,679.12	-3,786.08	33.3%
Total Expense	82,458.23	304,055.12	-221,596.89	27.1%
Net Ordinary Income	165,783.51	-62,935.12	228,718.63	-263.4%

South Dakota Board of Accountancy
Profit & Loss Budget vs. Actual
 July through October 2020

	<u>Jul - Oct 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Other Income/Expense				
Other Expense				
5228090 - Security Lending Rebate Fees	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	<u>165,783.51</u>	<u>-62,935.12</u>	<u>228,718.63</u>	<u>-263.4%</u>

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
October 2020

	Oct 20	Oct 19	\$ Change	% Change
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	500.00	375.00	125.00	33.3%
4293551 · Certificate Renewals-Active	150.00	600.00	-450.00	-75.0%
4293552 · Certificate Renewals-Inactive	200.00	50.00	150.00	300.0%
4293554 · Initial Firm Permits	0.00	50.00	-50.00	-100.0%
4293557 · Initial Audit	90.00	60.00	30.00	50.0%
4293558 · Re-Exam Audit	270.00	150.00	120.00	80.0%
4293560 · Late Fees-Initial Certificate	0.00	50.00	-50.00	-100.0%
4293561 · Late Fees-Certificate Renewals	300.00	600.00	-300.00	-50.0%
4293564 · Late Fees-Peer Review	0.00	100.00	-100.00	-100.0%
4293566 · Firm Permit Owners	0.00	130.00	-130.00	-100.0%
4293569 · Initial FAR	150.00	30.00	120.00	400.0%
4293570 · Initial REG	90.00	0.00	90.00	100.0%
4293571 · Initial BEC	90.00	30.00	60.00	200.0%
4293572 · Re-Exam FAR	-38.40	120.00	-158.40	-132.0%
4293573 · Re-Exam REG	180.00	120.00	60.00	50.0%
4293574 · Re-Exam BEC	90.00	90.00	0.00	0.0%
Total Income	2,071.60	2,555.00	-483.40	-18.9%
Gross Profit	2,071.60	2,555.00	-483.40	-18.9%
Expense				
5101010 · F-T Emp Sal & Wages	7,853.74	5,242.98	2,610.76	49.8%
5101020 · P-T/Temp Emp Sal & Wages	4,725.98	2,618.09	2,107.89	80.5%
5101030 · Board & Comm Mbrs Fees	240.00	300.00	-60.00	-20.0%
5102010 · OASI-Employer's Share	869.27	552.03	317.24	57.5%
5102020 · Retirement-ER Share	701.58	471.66	229.92	48.8%
5102060 · Health /Life Ins.-ER Share	2,747.19	1,720.53	1,026.66	59.7%
5102080 · Worker's Compensation	22.65	10.25	12.40	121.0%
5102090 · Unemployment Insurance	12.58	3.42	9.16	267.8%
5204010 · Subscriptions	0.00	363.83	-363.83	-100.0%
5204050 · Consultant Fees - Computer	1,918.13	0.00	1,918.13	100.0%
5204160 · Workshop Registration Fees	0.00	226.44	-226.44	-100.0%
5204180 · Computer Services-State	505.80	466.45	39.35	8.4%
5204200 · Central Services	259.03	143.57	115.46	80.4%
5204220 · Equipment Service & Maintenance	5.10	8.06	-2.96	-36.7%
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	203.26	161.30	41.96	26.0%
5204540 · Electricity	0.00	86.30	-86.30	-100.0%
5204560 · Water	10.00	22.35	-12.35	-55.3%
5204740 · Bank Fees and Charges	131.22	120.89	10.33	8.5%
5204960 · Other Contractual Services	0.00	41.88	-41.88	-100.0%
5205020 · Office Supplies	0.00	310.09	-310.09	-100.0%
5205028 · OFFICE SUPPLIES-2	9.17	0.74	8.43	1,139.2%
5205320 · Printing/Duplicating/Binding Co	20.70	31.05	-10.35	-33.3%
5207900 · Computer Hardware	640.78	0.00	640.78	100.0%

South Dakota Board of Accountancy
PREVIOUS YEAR MONTHLY COMPARISON
October 2020

	<u>Oct 20</u>	<u>Oct 19</u>	<u>\$ Change</u>	<u>% Change</u>
5228000 · Operating Transfers Out-NonBudg	599.43	253.05	346.38	136.9%
5228030 · Depreciation Expense	473.26	473.26	0.00	0.0%
Total Expense	<u>23,551.08</u>	<u>15,227.64</u>	<u>8,323.44</u>	<u>54.7%</u>
Net Ordinary Income	<u>-21,479.48</u>	<u>-12,672.64</u>	<u>-8,806.84</u>	<u>-69.5%</u>
Net Income	<u><u>-21,479.48</u></u>	<u><u>-12,672.64</u></u>	<u><u>-8,806.84</u></u>	<u><u>-69.5%</u></u>

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
 July through October 2020

	<u>Jul - Oct 20</u>	<u>Jul - Oct 19</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Income/Expense				
Income				
4293550 · Initial Individual Certificate	1,150.00	3,885.00	-2,735.00	-70.4%
4293551 · Certificate Renewals-Active	66,700.00	62,700.00	4,000.00	6.4%
4293552 · Certificate Renewals-Inactive	21,250.00	19,710.00	1,540.00	7.8%
4293553 · Certificate Renewals-Retired	1,480.00	1,240.00	240.00	19.4%
4293554 · Initial Firm Permits	50.00	100.00	-50.00	-50.0%
4293555 · Firm Permit Renewals	15,550.00	11,000.00	4,550.00	41.4%
4293557 · Initial Audit	120.00	90.00	30.00	33.3%
4293558 · Re-Exam Audit	570.00	690.00	-120.00	-17.4%
4293560 · Late Fees-Initial Certificate	50.00	50.00	0.00	0.0%
4293561 · Late Fees-Certificate Renewals	2,550.00	2,550.00	0.00	0.0%
4293563 · Late Fees-Firm Permit Renewals	750.00	300.00	450.00	150.0%
4293564 · Late Fees-Peer Review	1,200.00	200.00	1,000.00	500.0%
4293566 · Firm Permit Owners	122,340.00	111,355.00	10,985.00	9.9%
4293567 · Peer Review Admin Fee	1,575.00	75.00	1,500.00	2,000.0%
4293568 · Firm Permit Name Change	0.00	100.00	-100.00	-100.0%
4293569 · Initial FAR	360.00	210.00	150.00	71.4%
4293570 · Initial REG	120.00	90.00	30.00	33.3%
4293571 · Inital BEC	120.00	120.00	0.00	0.0%
4293572 · Re-Exam FAR	420.00	600.00	-180.00	-30.0%
4293573 · Re-Exam REG	480.00	810.00	-330.00	-40.7%
4293574 · Re-Exam BEC	390.00	720.00	-330.00	-45.8%
4491000 · Interest and Dividend Revenue	11,016.74	9,932.08	1,084.66	10.9%
Total Income	<u>248,241.74</u>	<u>226,527.08</u>	<u>21,714.66</u>	<u>9.6%</u>
Gross Profit	248,241.74	226,527.08	21,714.66	9.6%
Expense				
5101010 · F-T Emp Sal & Wages	24,075.38	21,719.94	2,355.44	10.8%
5101020 · P-T/Temp Emp Sal & Wages	14,976.93	12,235.38	2,741.55	22.4%
5101030 · Board & Comm Mbrs Fees	1,440.00	2,040.00	-600.00	-29.4%
5102010 · OASI-Employer's Share	2,761.69	2,461.71	299.98	12.2%
5102020 · Retirement-ER Share	2,191.01	1,922.71	268.30	14.0%
5102060 · Health /Life Ins.-ER Share	8,311.39	6,985.37	1,326.02	19.0%
5102080 · Worker's Compensation	70.26	44.17	26.09	59.1%
5102090 · Unemployment Insurance	39.10	14.96	24.14	161.4%
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	687.96	-687.96	-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%
5204010 · Subscriptions	0.00	363.83	-363.83	-100.0%
5204020 · Dues and Membership Fees	3,200.00	3,200.00	0.00	0.0%
5204050 · Consultant Fees - Computer	3,836.26	1,875.00	1,961.26	104.6%
5204160 · Workshop Registration Fees	0.00	3,006.44	-3,006.44	-100.0%
5204180 · Computer Services-State	2,023.20	1,875.85	147.35	7.9%
5204181 · Computer Development Serv-State	120.40	274.51	-154.11	-56.1%
5204200 · Central Services	1,839.74	2,250.75	-411.01	-18.3%
5204220 · Equipment Service & Maintenance	27.57	27.53	0.04	0.2%
5204230 · Janitorial/Maintenance Services	569.84	558.66	11.18	2.0%

South Dakota Board of Accountancy
PREVIOUS YEAR TO DATE MONTHLY COMPARISON
July through October 2020

	<u>Jul - Oct 20</u>	<u>Jul - Oct 19</u>	<u>\$ Change</u>	<u>% Change</u>
5204460 · Equipment Rental	1,067.36	919.00	148.36	16.1%
5204490 · Rents Privately Owned Property	5,523.00	6,903.75	-1,380.75	-20.0%
5204530 · Telecommunications Services	889.88	806.60	83.28	10.3%
5204540 · Electricity	133.56	320.83	-187.27	-58.4%
5204560 · Water	38.89	22.35	16.54	74.0%
5204740 · Bank Fees and Charges	4,473.32	4,468.45	4.87	0.1%
5204960 · Other Contractual Services	0.00	580.68	-580.68	-100.0%
5205020 · Office Supplies	55.60	458.76	-403.16	-87.9%
5205028 · OFFICE SUPPLIES-2	11.45	5.95	5.50	92.4%
5205320 · Printing/Duplicating/Binding Co	55.20	58.65	-3.45	-5.9%
5207900 · Computer Hardware	640.78	653.40	-12.62	-1.9%
5228000 · Operating Transfers Out-NonBudg	2,193.38	1,807.02	386.36	21.4%
5228030 · Depreciation Expense	1,893.04	1,893.04	0.00	0.0%
Total Expense	82,458.23	81,071.46	1,386.77	1.7%
Net Ordinary Income	165,783.51	145,455.62	20,327.89	14.0%
Net Income	165,783.51	145,455.62	20,327.89	14.0%

EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

CPE Audits

The list of licensees has been selected for CPE audits and letters were sent out to those selected on September 22, 2020. The documentation is due in our office no later than October 30, 2020. The following is the current status of the audits as of November 23, 2020:

	Selected	Complied	Not Complied	Granted Extension	Approved CPE Audit	Failed CPE Audit
CPA (Active)	119	119	0	1	92	0
CPA – Out of State Affidavit	138				138	

NASBA Issues/Follow-up from Annual Conference

1. CPA Exam - Discussion on remote testing/proctoring
 - a. Questions
 - b. Concerns
 - c. Other Board Actions – multiple boards are discussing this issue
 - i. Alabama – voted on 11-20-20 that they will not accept grades from those who tested remotely, no transfers or reciprocity.
 - ii. Nevada – Board position to see what additional information is provided by the AICPA and NASBA in the processes
 - iii. North Carolina – requesting more information on the process and time line for implementation
2. 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
3. Legislation across the US
4. CPA domain now owned by the AICPA

State Laws

Constitutional Amendment A passed by voters on November 3. Lawsuit filed on 11-20-20 in Hughes County Circuit Court by Pennington County Sheriff Kevin Thom and South Dakota

Highway Patrol Superintendent Rick Miller; the case is pending. The SD CPA Society has mentioned that a board position or an issue brief on guidance on marijuana related laws would be requested in the future. Here are other states responses
<https://nasba.org/mc/legislative-support/marijuana-board-guidance/>

Board AUP

Documentation was submitted to the auditor for the AUP period ending June 30, 2020 and our processes to be reviewed have been discussed with the auditor on November 19. A follow-up call is scheduled for November 30 and the draft report should be issued the week of December 7.

Board Discussion

- Any New Business/topics?

National Association of State Boards of Accountancy, Inc.
Virtual Meeting of the Board of Directors
July 24, 2020

1. Call to Order

A meeting of the Board of Directors of the National Association of State Boards of Accountancy was called to order by Chair Laurie Tish at 10:33 a.m. CDT on Friday, July 24, 2020 via Zoom. Ms. Tish welcomed all and requested a report on the meeting's attendance.

2. Report of Attendance

President and CEO Ken L. Bishop reported the following were on the Zoom call:

Officers

Laurie J. Tish, CPA (WA), Chair
A. Carlos Barrera, CPA (TX), Vice Chair
Janice L. Gray, CPA (OK), Past Chair
W. Michael Fritz, CPA (OH), Treasurer
Stephanie M. Saunders, CPA (VA), Secretary

Directors-at-Large

Catherine R. Allen, CPA (NY)
J. Coalter Baker, CPA (TX)
Maria E. Caldwell, CPA (FL)
John F. Dailey, Jr., CPA (NJ)
Tyrone E. Dickerson, CPA (VA)
Sharon A. Jensen, CPA (MN)
Richard N. Reisig, CPA (MT)

Regional Directors

Jack Anderson Bonner, Jr., CPA (TN), Southeast Regional Director
C. Jack Emmons, CPA (NM), Southwest Regional Director
Alison L. Houck, CPA (DE), Middle Atlantic Regional Director
Stephen F. Langowski, CPA (NY), Northeast Regional Director
Faye D. Miller, CPA (ND), Central Regional Director
Jason D. Peery, CPA (ID), Mountain Regional Director
Katrina Salazar, CPA (CA), Pacific Regional Director
Kenya Y. Watts, CPA (OH), Great Lakes Regional Director

Executive Directors' Liaison

Grace Berger (MT), Executive Directors Committee Liaison

Staff

Ken L. Bishop, President and Chief Executive Officer

Colleen K. Conrad, CPA, Executive Vice President and Chief Operating Officer

Michael R. Bryant, CPA, Senior Vice President and Chief Financial Officer

Louise Dratler Haberman, Vice President - Information and Research

Thomas Kenny, Chief Communications Officer

Troy Walker, CPA, Director of Finance and Controller

Guest (Executive Session only)

Noel L. Allen, Esq.

3. Approval of Minutes

Secretary Stephanie Saunders stated there had been no additions or corrections received on the distributed April 24, 2020 minutes. Andy Bonner made a motion to accept the minutes as presented and Stephen Langowski seconded. The motion passed.

4. Report of the Chair

Chair Tish reported on her NASBA activities since the last Board Meeting. She congratulated the Regional Directors and NASBA staff on the success of the virtual Western and Eastern Regional Meetings in June. She also participated in the semi-annual virtual AICPA/NASBA summit. She described the meeting as a "report out" from each of the organizations, with few controversial topics. Ms. Tish believes future summit meetings would best be held in person.

Chair Tish announced that Ruben A. Davila, CPA, Esq. (CA), has accepted the vice chair position on the CPA Examination Review Board.

Chair Tish called for a motion to approve the Awards Committee's recommendations for NASBA's 2020 awards. They were:

Carlos A. Johnson (OK) for the William H. Van Rensselaer Public Service Award

Raymond N. Johnson (OR) for the NASBA Distinguished Service Award

Russ Friedewald (IL) for the Lorraine P. Sachs Award for Executive Directors.

Rick Reisig moved to approve the awards and Jack Emmons seconded. The motion was unanimously approved. President Bishop proposed that since the upcoming NASBA meetings are to be held virtually, a formal presentation of these awards should be made when an in-person meeting is being held. Chair Tish agreed and it was suggested that the 2020 NASBA award winners be invited to receive their awards in person at the 2021 NASBA Annual Meeting.

5. Report of the Vice Chair

Vice Chair Carlos Barrera reported on his NASBA activities since the last Board meeting. He continued his participation in many different NASBA virtual committee meetings. Planning for his term as Chair has been going well, as most of the rosters for the 2020-2021 NASBA Committees have been populated. The rosters will be finalized after the August 20, 2020 New Board Member Orientation Session. He hopes by 2021 NASBA will be holding in-person meetings.

6. Report of the President

President and CEO Bishop and Executive Vice President and COO Colleen Conrad updated the Board on a number of topics including:

- NASBA is in compliance with Phase 2 of Mayor John Cooper's Open Nashville program. Staff directors may come into the office and call in up to 75 percent of their staff. Employees are being allowed to continue to work remotely and do not have to come into the office if they feel endangered by doing so. All of the Nashville directors are being asked to come into the office on Tuesdays. Masks and hand sanitizers are available, staff temperatures are being reported, and spacing requirements are being maintained. President Bishop said employee morale is high. The furloughed employees who are being retained will either be returning to the Nashville office or working remotely as of August 1.
- Prometric has consulted with Johns Hopkins University experts and been advised that they can fully open many of their testing centers. Prometric has added days and hours to test center schedules so they have up to 120 percent of their testing capacity over last year. There was excess capacity in July and there is still capacity for testing in August. NASBA continues to work with the State Boards who wish to extend the scheduling and credit deadlines to the end of 2020. Prometric has announced that, as of August 1, they will reinstitute rescheduling fees when the candidates reschedule close to their confirmed test dates.
- President Bishop has spoken to Shannon Nash and Felicia Farrar, leaders of the newly formed National Society of Black CPAs. NSBCPA is primarily a group of CPAs who split from the National Association of Black Accountants and is initially focused on increasing the number of blacks in the CPA pipeline. They appreciated the opportunity to work with State Boards and NASBA to recommend blacks for appointments and leadership positions in NASBA.
- NASBA has been engaging with the American Accounting Association (AAA) on the proposed UAA Model Rules. There will be a presentation on the Model Rules and the CPA Evolution at the AAA's Annual Meeting in August meeting and there was one at the AAA's Spark Meeting in June.

- The virtual NASBA Regional Meetings had 179 attending the Western and 226 the Eastern. There was increased attendance at the Regional Breakout Sessions, which might promote their use in the future.

- As of July 1, 2020, continuous testing on the Uniform CPA Examination was allowed in 51 jurisdictions. Three more are expected to have it in place in the near future, and South Carolina awaits legislation to pass in a future session.

- In June 2020 testing on the US CPA Examination became available in India. Testing of 650 candidates took place there in June, more are expected in September and another testing period has been opened in December for the India centers.

- President Bishop underscored the importance of NASBA's international relevance and congratulated the International Qualifications Appraisal Board for keeping the mutual recognition agreements moving with their recent renewal of the agreement with the Hong Kong Institute of CPAs. An agreement with the Institute of Chartered Accountants of England and Wales (ICAEW) still remains under development. Mr. Bishop reported he had held a long conversation with Association of Chartered Certified Accountants (ACCA) Chief Executive Helen Brand and learned that almost none of the ACCA members in the United Kingdom belong to the ICAEW.

- NASBA is implementing a new phone system which is cloud-based and works well for remote staff. More encryption services and software upgrades have been added.

- A policy statement on NASBA's Commitment to Equality has been released. NASBA Chief Ethics and Diversity Officer Alfonzo Alexander has been named vice chair of the board of directors of The Ph.D. Project.

- Fifty-three jurisdictions are on the Accountancy Licensee Database (ALD) as of July 1, with the recent addition of Delaware.

- AICPA and NASBA are actively researching the possible use of remote Uniform CPA Examination testing in emergency situations. Legal, security and technology matters are all under review. NASBA staff members will have meetings later this summer with the State Boards to share the results of research and provide more specific information about the functionality of a possible remote testing delivery method, if needed during emergencies. NASBA staff will also report back to the NASBA Board of Directors on this topic.

- AICPA is rolling out its .cpa domain name in September for sale to CPA firms and individual CPAs. They plan to do random periodic audits to ensure firms using the domain are registered. Boards may wish to inform the AICPA when they are taking action against an individual or firm inappropriately using .cpa.

7. Report from the Audit Committee

Audit Committee Chair Faye Miller reported the audit planning meeting for fiscal year 2020 was held on May 7 with the independent audit firm, NASBA management and staff and the committee. The audit plan and areas of audit emphasis were reviewed with the committee and no changes were proposed. The next meeting will be on September 24 to conclude their review of the financial audit reports and other matters related to their bylaws charge.

8. Report of the Administration and Finance Committee

Treasurer W. Michael Fritz and Vice President and Chief Financial Officer Michael Bryant presented and discussed NASBA’s financial statements as of May 31, 2020 and the fiscal year 2021 consolidated operating and capital budgets. Mr. Fritz said net assets continue to reflect the financial strength of the organization and to uphold NASBA’s internal operations and mission activities supporting State Boards. Mr. Bryant pointed out that, because of travel limitations, this was the first year NASBA did not have an increase in overall mission spending but did increase mission expenditures in the Regulation and Public Protection category. Next year mission spending is projected to increase to an all-time high of \$11 million, he noted. A motion was made by Treasurer Fritz to approve the financial report, Coalter Baker seconded, and the motion passed. Kenya Watts made a motion to accept the fiscal year 2021 consolidated operating and capital budgets, Jack Emmons seconded, and the motion passed.

9. Report of the Nominating Committee

Janice Gray, Nominating Committee chair, reported the Committee had met twice virtually. During the first meeting they selected their choice for vice chair, and the directors-at-large and regional directors during the second. Ms. Gray presented the Nominating Committee’s selections for the officers and directors for 2020-2021 (below), to be voted on by the member Boards at the Annual Meeting in November:

Vice Chair

W. Michael Fritz (OH – Associate)

Directors-at-Large (three-year term)

- (second term)
- (second term)
- (first term)

J. Coalter Baker (TX- Associate)
 Jimmy E. Burkes (MS – Associate)
 Nicola Neilon (NV – Delegate)

Regional Directors (one-year term), a Regional Director may serve three one-year terms

- (third term) Central
- (second term) Great Lakes
- (second term) Middle Atlantic
- (second term) Mountain
- (second term) Northeast
- (third term) Pacific
- (second term) Southeast
- (first term) Southwest

Faye D. Miller (ND – Delegate)
 Kenya Y. Watts (OH – Delegate)
 Alison L. Houck (DE – Delegate)
 Jason D. Peery (ID – Delegate)
 Stephen F. Langowski (NY – Delegate)
 Katrina Salazar (CA – Delegate)
 Jack Anderson Bonner, Jr. (TN- Delegate)
 Lynn V. Hutchinson (LA – Delegate)

10. Report on CPA Evolution

Chair Tish and Executive Vice President Conrad updated the Board on the progress of the CPA Evolution initiative and its timeline.

Chair Tish reported that during the Regional Meetings she received no negative comments on the initiative. The Boards were appreciative of how the initial proposal had changed in response to the suggestions made. She noted that she, Ms. Conrad and Mr. Dustin all answered questions about how the disciplines are anticipated to work. She also told the Boards that the AICPA is working with NASBA to make resources available that will help the smaller schools transition to the new format. At the Regional Meetings there were some questions about roadblocks expected in going forward.

Executive Vice President Conrad presented the timeline for the initiative that was shared at the NASBA/AICPA summit earlier in the week. The timeline covered three streams: education, Uniform CPA Examination and advocacy. In mid-August a questionnaire is to go to educators to determine what they are teaching now and where more or different courses might be needed. A model internship program task force is being formed to include both NASBA and AICPA, practitioner and educator representatives. There will also be core and discipline task forces formed to develop high-level model curricula with topics and learning objectives for the core and each discipline. NASBA will also have representatives on the curricula task forces, Ms. Conrad said. AICPA is soon establishing an educator portal with resources on data analytics and artificial intelligence, and other technology-based topics to help educators integrate additional technology into their courses.

A practice analysis is to start shortly and continue into 2022. A draft of the Examination's blueprint is currently projected to be exposed in the summer of 2022 with the new Examination estimated to be announced in January 2023 and launched for candidate testing in January 2024. The AICPA Examinations Team is expecting to have three core content committees and three discipline committees. Ms. Conrad asked the NASBA Board members to let her know immediately if they are interested in joining any of the task forces being formed or have recommendations.

As for advocacy, Ms. Conrad said it is hoped that the Boards will coalesce around the UAA Model Rules when finalized.

Chair Tish called the Board's attention to a proposed resolution that parallels the resolution approved by the AICPA Council in late May. Mr. Emmons moved the resolution be approved and Mr. Baker seconded, and the following resolution was unanimously approved by the Board:

WHEREAS, At the Annual and Regional Meetings in 2018, 2019 and 2020, NASBA has discussed the trends in the business environment that are impacting the skillsets required of newly licensed CPAs and how the joint initiative (referred to as CPA Evolution) with

the American Institute of CPAs will position the CPA license for the future and protect the public interest; and

WHEREAS, The Boards of Accountancy have received the presentation on the revised CPA licensure framework envisioned in the CPA Evolution initiative and the NASBA Board of Directors has heard the feedback received on the revised framework; now BE IT RESOLVED, That the NASBA Board of Directors supports the advancement of the CPA Evolution initiative in an effort to design and implement a new approach to CPA licensure and supports taking appropriate action to execute the CPA Evolution initiative, including changes to the CPA licensure model; and

BE IT FURTHER RESOLVED, That this resolution shall now become effective as the companion vote of support of the CPA Evolution initiative by the AICPA Council passed in May 2020.

Executive Vice President Conrad said an e-mail announcing the approved resolution will be sent to the State Board Chairs and Executive Directors and the State Society Chairs on the following Monday, and shortly after that a press release will be distributed. Rick Reisig asked what Board members should do if local media asked for comments. President Bishop recommended that Communications Chief Thomas Kenny help coordinate with local publications.

11. Report from the Relations with Member Boards Committee

Relations with Member Boards Committee Chair Jack Emmons summarized for the Board the discussions held at the Regional Breakout sessions in June. He noted that, even in a virtual format, the Regional Breakouts continue to get the highest evaluations for the Regional Meetings. Chair Tish congratulated the Regional Directors on their meetings.

Mr. Emmons reported the Regional Directors will be participating in a virtual New State Board Member Orientation to be held on August 20, 2020.

12. Report of the Bylaws Committee

Bylaws Committee Chair Katrina Salazar presented the recommended amendments to Sections 4.11, 7.1.8 and 7.2.2 of the Bylaws (as shown below) to be voted on at the November Annual Business Meeting.

Teleconference Updates

4.11 Teleconference or Telephone Meetings.

The Board of Directors meetings, annual meetings, regional meetings, special meetings, and any NASBA committee meetings of the may be conducted by means of teleconference, provided that all persons participating in the meeting can communicate with one another, and

participation in such a meeting shall constitute physical presence or attendance in person at such meeting. When used in these bylaws, the term "teleconference" shall be understood to also mean telephone call or similar audio or visual communication. When used in these bylaws, the term "place" shall be understood to include a virtual meeting, via teleconference. When used in Sections 5 and 7 of these bylaws, the term "in person" can mean via teleconference when all persons are participating by teleconference using both audio and video communications.

7.1.8 If a Region's member and alternate are both unable to serve and the Nominating Committee will hold a meeting for the purpose of making nominations prior to that Region's next NASBA Regional Meeting, then an ad hoc committee consisting of one state board member from each Member Board in that Region shall meet to elect a member and alternate to serve for the unexpired terms of the former member and former alternate. ~~Such meeting may be held telephonically.~~

Nominating Committee Schedule Edits

7.2.2 Annual Nominations.

~~Each year, the Nominating Committee will establish and communicate to the Member Boards, a nominating schedule including any deadlines for the submission of names of candidates seeking to be nominated for any of the offices to be elected at the Annual Meeting. Pursuant to that schedule, †The Nominating Committee shall nominate annually one qualified candidate for Vice Chair, three candidates for Directors-at-Large for those whose terms are expiring at the Annual Meeting, and one candidate for Regional Director from each Region. Each year, the Nominating Committee will establish and communicate to the Member Boards, a nominating schedule including any deadlines for the submission of names of candidates seeking to be nominated for any of the offices to be elected at the Annual Meeting. The Nominating Committee may waive the deadlines by a majority vote. The Nominating Committee will consider the submitted names of interested candidates when considering nominees and may also consider candidates submitted by any source. If the Vice Chair cannot is unable to serve as Chair, then the Nominating Committee also shall nominate a candidate for Chair. The report of the Nominating Committee shall be submitted to the Chair and presented in accordance with the provisions of these bylaws.~~

Mr. Bonner made a motion to approve the Bylaws changes recommended by the Bylaws Committee to be presented for final approval by a vote of the membership. Ms. Miller seconded and the motion carried.

Ms. Salazar thanked Brie Allen, NASBA regulatory counsel, for her support of the Committee's work. The recommended amendments add flexibility for meetings and for the Nominating Committee to work to achieve NASBA's goals, Ms. Salazar explained. By adding a reference to "teleconferences" the Bylaws would allow for virtual meetings as determined by

leadership. The Nominating Committee would be able to look outside the names submitted and would have additional time to do so, she explained.

13. Report of the Executive Directors Committee

Executive Directors Committee Chair Grace Berger reported the Committee had met virtually numerous times with the CBT Administration Committee to discuss the changing landscape of the Uniform CPA Examination. This continues to be a challenging time for Boards, Ms. Berger observed. Many Boards have staff in their offices for only a limited time each week. A presentation on remote proctoring was given to the executive directors by Ms. Conrad. The executive directors seek to better understand the remote proctoring process and hear updates on the due diligence underway by NASBA, AICPA and Prometric.

14. Report of the Regulatory Response Committee

Regulatory Response Committee Chair Mike Fritz gave an update on comment letters that NASBA has submitted over the last few months and reported on some that will be developed in the near future, such as a response to an exposure draft from the AICPA's Professional Ethics Executive Committee (PEEC) on staff augmentation expected to be released in August. A response to the International Auditing and Assurance Standards Board on proposed revisions to their standard covering audits of group financial statements is close to completion.

Mr. Fritz and President Bishop agreed that it would be good to have the NASBA responses out well ahead of deadlines and distributed to the State Boards to enable Boards to decide if they also want to submit comments.

15. Report of the Legislative Support Committee

Legislative Support Committee Chair Andy Bonner referred the Board to the report in their meeting materials. The report outlines the legislation on which the Committee is focusing and maps out what ARPL (the Alliance for Responsible Professional Licensing) expects to do, including releasing a research-based study in November.

16. Report of the Uniform Accountancy Act Committee

UAA Committee Chair Coalter Baker reported the AICPA Auditing Standards Committee had met on July 22 and asked for more information. The ASB NOCLAR task force expects the ASB to vote on exposure of revised standards in October 2020. The revised standards would require professional accountants to disclose a NOCLAR to the external auditor

if the CPA determines such disclosure is necessary pursuant to the CPA's obligation to provide all information necessary to enable the auditor to perform the audit.

The exposure draft of revisions to Article 5 of the UAA Model Rules on education was distributed on May 26 with a comment deadline of August 31, 2020. Mr. Baker said the UAA Committee will review the comments received in September.

17. Policy Discussion

Chair Tish led the Board in discussion of three topics:

A- What NASBA can do for State Boards due to COVID-19 challenges?

President Bishop reported Vice President – State Board Relations Dustin has been proactively responding to the Boards. In addition, information on what NASBA is doing for candidates, what states are doing to handle common situations, and other relevant information continues to be provided. Mr. Reisig praised the social media communication that NASBA has been doing. Ms. Jensen also praised NASBA's communications during this period. President Bishop said NASBA can easily jump into virtual State Board meetings and provide information if needed.

B- The need for added attest experience?

Chair Tish asked for volunteers to continue discussion of this topic. Several of the Board members pointed out other international professional accountants are required to have more attest experience than the basic one year. The challenge is measuring what that additional experience needs to be. It was noted that pre-issuance reviews had been suggested as alternatives to requiring some specified number of hours of current attest experience. However, such reviews have raised insurance liability concerns which can cause a challenge in finding reviewers.

C- The State Boards' views on staff augmentation.

Participants in the Regional Meeting breakout sessions did not seem to support the reissuance of PEEC's interpretation on staff augmentation; however, it is anticipated PEEC will be releasing it in August. The NASBA Ethics Committee expects to create a draft response to the proposal shortly after it is released, which would allow NASBA leaders to finalize a response early enough for it to be shared with the State Boards that might want to individually comment.

18. Executive Session

At 3:15 p.m. CDT Mr. Emmons moved to adjourn the meeting to go into Executive Session to discuss executive compensation, and Mr. Reisig seconded. The motion passed.

Chair Tish called the Executive Session to order at 3:31 p.m. Legal counsel Noel Allen joined the Board for this discussion. The Board ratified certain Executive Committee recommendations related to confidential (personnel) matters.

At 4:35 p.m. Ms. Jensen moved to close the Executive Session and resume the Board Meeting. Ms. Gray seconded and the motion passed. At 4:36 p.m. the Board Meeting resumed.

19. Adjournment

Ms. Gray moved and Ms. Miller seconded the adjournment of the Board meeting. The motion passed and the meeting was adjourned at 4:38 p.m.

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY, INC.

Highlights of the Board of Directors Meeting

October 30, 2020 – Virtual Meeting

At a duly called virtual meeting of the Board of Directors of the National Association of State Boards of Accountancy, Inc., held on Friday, October 30, 2020, the Board took the following actions:

- Recognized the Board had approved amendments to UAA Model Rules Article 5 pertaining to education at their special meeting on October 13, 2020. Chair Laurie Tish (WA) explained the new Model Rules were designed to promote uniformity among the states and are in line with the CPA Evolution, but not required for the initiative to move forward. Steps to develop the new Uniform CPA Examination and resources for educators and candidates are progressing on schedule.
- Approved FY 2020 independent auditors' opinion and audited consolidated financial statements as presented by Audit Committee Chair Faye Miller (ND). The motion was seconded by Jack Emmons (NM) and all approved.
- Approved the Audit Committee's selection of LBMC PC as NASBA's independent auditor for the fiscal year ending July 31, 2021, as presented by Audit Committee Chair Miller and seconded by Mr. Emmons. This recommendation had previously been approved by the Executive Committee.
- Heard a report on the investment and financial results for the year ended July 31, 2020 and an update of the year-to-date results for Fiscal Year 2021 from Treasurer W. Michael Fritz (OH) and CFO and Senior Vice President Michael Bryant.
- Heard from Chair Tish that 54 of NASBA's 55 member boards would be represented at NASBA's 2020 Annual Meeting November 2-4, 2020. Chair Tish had addressed the October AICPA Council meeting and AICPA Chair Tracey Golden will address the NASBA Annual Meeting.
- Supported the submission of a letter in response to the AICPA Professional Ethics Executive Committee's (PEEC) proposed interpretation on staff augmentation arrangements, as presented by Ethics Committee Chair Catherine Allen (NY) and Regulatory Response Committee Chair W. Michael Fritz (OH). After the letter is sent to PEEC, it will be sent to the State Boards, with a recommendation that they also send in responses to PEEC by December 8.
- Heard from NASBA President and CEO Ken L. Bishop that NASBA is operating well, with most staff members working remotely. Steps are being taken by human resources to protect staff members mentally and physically. To date, no NASBA employee has been infected with

COVID-19 in connection with a NASBA-related activity. The current travel ban is in effect until the end of the year and President Bishop is now considering extending it because of the surge of new cases in every state.

□ Heard a report from Executive Vice President and COO Colleen Conrad that international candidates from the Asia Pacific Region who are being faced with COVID travel restrictions, keeping them from the Guam testing center, are being allowed to test in South Korea and Japan through March 31, 2021. NASBA has been sending frequent timely communications on COVID-related testing matters to the Boards and candidates. The State Boards are being encouraged to only extend testing deadlines on a case-by-case basis after December 31, 2020 and to reach out to NASBA staff for up-to-date information before taking any formal actions.

□ Learned from Executive Directors Liaison Grace Berger (MT) that information on remote testing/proctoring presented by NASBA via recent webinars has helped answer the Boards' questions, but this remains a hot topic. The Executive Directors Committee is to meet with the Computer-Based Testing Administration Committee and the Compliance Assurance Committee.

□ Received assurance from CBT Administration Committee Chair Tyrone Dickerson (VA) that they will be involved in Uniform CPA Examination administration decisions affecting the State Boards. They recognize that remote testing/proctoring presents risks that need to be addressed. The Committee's next meeting is on November 5.

□ Thanked Past Chair Janice Gray (OK), Director-at-Large Maria Caldwell (FL), Southwest Regional Director C. Jack Emmons (NM), and Executive Directors' Liaison to the Board Grace Berger (MT) for their service to the Board of Directors.

□ Thanked Chair Laurie J. Tish for her leadership throughout the year.

Highlights of the Board of Directors Meeting

November 3, 2020

At the duly scheduled initial meeting of the 2020-2021 NASBA Board of Directors, held on Tuesday, November 3, 2020, the Board took the following actions:

- Elected Richard N. Reisig (MT) Treasurer.
- Re-elected Stephanie M. Saunders (VA) Secretary.

The next meeting of the 2020-2021 NASBA Board of Directors will be held on January 15, 2021.

Distribution:

State Board Chairs/President, Members and Executive Directors

NASBA Board of Directors, Committee Chairs and Staff Directors

REGIONAL DIRECTORS' FOCUS QUESTIONS

The input received from our focus questions is reviewed by all members of NASBA's Board of Directors, committee chairs and executive staff and used to guide their actions. Please send your Board's responses to NASBA and your Regional Director by January 5, 2021.

JURISDICTION _____ **DATE** _____
NAME OF PERSON SUBMITTING FORM _____

1. Has your Board discussed remote testing/proctoring and, if so, what was the outcome?

(a) No _____

(b) Yes _____ The outcome was: _____

2. Would a remote testing/proctoring presentation be helpful to your Board?

(a) Yes. Please contact us. _____

(b) No, thanks. _____

3. What are your Board's top agenda items/initiatives for 2021 (such as firm mobility, adoption of amended education rules, board diversity, etc.)?

4. Has your Board taken any disciplinary actions for failure to comply with IT security plans required by the IRS or other Federal agencies?

1. None to date. _____

2. Yes. _____ Describe the penalty: _____

5. What is happening in your jurisdiction that is important for other State Boards and NASBA to know about? (For example, new travel restrictions.)

6. Can NASBA be of any assistance to your Board at this time?

a. No. _____

b. Yes. Please explain. _____

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

Input only from Board Chair

Input only from Executive Director

Input only from Board Chair and Executive Director

Input from all Board Members and Executive Director

Input from some Board Members and Executive Director

Input from all Board Members

Input from some Board Members

Other (please explain):

EXECUTIVE SUMMARY

NASBA REGIONAL DIRECTORS' FOCUS QUESTIONS

August – October 2020

35 Jurisdictions Responding

1. Has your state's general fund borrowed or "dipped" into the Accountancy Board's funds and swept moneys for non-board functions?

NO – 24 jurisdictions **YES** – 7 jurisdictions

2. Has your Board encountered any legal issues related to holding virtual meetings?

NO – 26 jurisdictions **YES** – See responses from Nebraska and Virginia

3- If you have had virtual Board meetings, any suggestions for making them successful?

Answers included:

Alaska – Try to be flexible, especially with technology issues. Sometimes takes a while to get everyone connected. Try to stay on track with the agenda.

Georgia – Just keep it moving.

New Mexico – We have found that not adding too much to the agenda and not rushing the meeting has made our virtual meetings successful. We also provide the public with a list of tips and instructions on how to make their virtual meeting experience a positive one.

Virgin Islands – Use a medium that everyone is familiar with or have a training session before the meeting. Also, make it a rule that all attendees must turn their camera on.

4- Does your state have any requirements or restrictions regarding travel in 2021?

NO – 12 jurisdictions **YES** – 16 jurisdictions

Answers included:

Illinois – Yes, travel has been restricted until further notice.

Ohio - No out of state travel, only essential in state travel.

5. What is happening in your jurisdiction that is important for other State Boards and NASBA to Know about?

Answers included:

Oklahoma – We are looking for some help dealing with the occupational licensing issues this session of our legislature.

Texas – We moved our offices during August.

Washington – Hoping to simplify use of the title "CPA inactive."

6. How can NASBA be of assistance to your Board at this time?

15 jurisdictions responding. Common replies: Continue to keep us informed. Be supportive.

**NASBA REGIONAL DIRECTORS’
FOCUS QUESTION REPORT**

The following is a summary of the written responses to focus questions gathered from the member Boards by NASBA’s Regional Directors between August 1, 2020, and October 16, 2020.

Responses which indicated nothing to report have not been included in this summary.

Respectfully submitted,

<i>C. Jack Emmons (NM)</i>	<i>– Chair, Committee on Relations with Member Boards, Southwest Regional Director</i>
<i>J. Andy Bonner (TN)</i>	<i>Southeast Regional Director</i>
<i>Alison L. Houck (DE)</i>	<i>Middle Atlantic Regional Director</i>
<i>Stephen F. Langowski (NY)</i>	<i>Northeast Regional Director</i>
<i>Faye D. Miller (ND)</i>	<i>Central Regional Director</i>
<i>Jason D. Peery (ID)</i>	<i>Mountain Regional Director</i>
<i>Katrina Salazar (CA)</i>	<i>Pacific Regional Director</i>
<i>Kenya Y. Watts (OH)</i>	<i>Great Lakes Regional Director</i>

Jurisdictions Responding – 35

Alabama, Alaska, Arizona, Arkansas, California, Delaware, Georgia, Hawaii, Idaho, Illinois (DPR and BOE), Indiana, Iowa, Kansas, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Virginia, Virgin Islands, Washington.

- 1. Has your state’s general fund borrowed or “dipped” into the Accountancy Board’s funds and swept moneys for non-board functions? If yes, please explain**

No: Alabama, Alaska, Delaware, Hawaii, Idaho, Illinois, Iowa, Kansas, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New York, North Dakota, Oklahoma, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Texas, Virginia, Virgin Islands.

Arizona – Yes, The Arizona State Board of Accountancy had fund sweeps in FY 2008, FY 2009, FY 2010, and FY 2012 in the amounts of \$2,056,000; \$1,016,700; \$500,000 and \$15,500 respectively for total transfers to the General Fund in the amount of \$3,588,200.

Arkansas – Yes, we were just notified that the Department of Labor and Licensing will take \$71,000 per year from our board to pay for certain IT, HR, Finance and Executive positions within the Department.

California – Yes, The California Board of Accountancy (CBA) is one of the Department of Consumer Affairs entities selected by the California Pooled Money Investment Board to make a loan to the California General Fund in the amount of \$10 million. The loan to California's General Fund is scheduled to be repaid in fiscal year 2024-25 or sooner if the economy improves. Such loans are repaid with interest. Protection exists in the event the CBA needs the early return of the loaned money. The Director of the Department of Finance can authorize the return of the General Fund loan amount should the CBA fund condition require it.

Georgia – Yes, all money collected by the Board goes into the Treasury General Fund. They will be tightly monitoring spending in FY 2021.

New Mexico – Yes, they skimmed roughly \$375,000 a couple of years ago and transferred it to the general fund.

Oregon - They have recommended a sweep. The sweep was appealed. Waiting for CFO's office.

Ohio - The Board's funds are deposited into an account common to Ohio's boards and commissions, and each entity's budget is allocated from this fund.

Puerto Rico - NASBA processes all the information for the Puerto Rico Board.

Tennessee – Yes, through legislative action, the state can “sweep” the reserve funds of the Board of Accountancy. The last sweep was in 2008 in the amount of \$1,547,174. There has not been a sweep since 2008.

Virgin Islands - No, however it should be noted that the Board funds are kept in "pooled accounts" with the central government. The Board does not maintain a separate bank account but instead a separate fund account within the government.

Washington – Our operating fund was swept in 2015 to fund a scholarship program managed by the Washington Society of CPAs. The measure was received very well by our CPA community.

2. Has your Board encountered any legal issues related to holding virtual meetings?

No: Alabama, Alaska, Arizona, California, Delaware, Georgia, Hawaii, Idaho, Illinois, Delaware, Iowa, Kansas, Michigan, Minnesota, Mississippi, Missouri, Nevada, New Mexico, North Dakota, Ohio, Oklahoma, Pennsylvania, Puerto Rico, Tennessee, Texas, Virgin Islands.

Nebraska - In Nebraska, meetings must be attended in person by members to participate based on current Open Meetings Law. Governor Ricketts issued an executive order early in the pandemic that allowed virtual meetings. The Board held its first virtual meeting in May. Governor Ricketts did not extend his executive order whereas the Board held its July meeting in person using social distancing practices.

Virginia - Initially we were prohibited from virtual board meetings but the Governor passed legislation in mid-May to allow virtual meetings during a state of emergency. We worked closely with our Attorney General's representative and had no legal issues, though holding closed session virtually was a challenge. We did encounter many technology related issues.

3. If you have had virtual Board meetings, any suggestions for making them successful?

Alabama - Test early and often. We held a lunch meeting for everyone to catch up personally and that allowed us to test everyone's connection a few days before our first virtual board meeting and hearings.

Alaska - Try to be flexible, especially with technology issues. Sometimes takes a while to get everyone connected. Try to stay on track with the agenda.

Arizona - Testing the application to ensure it meets your needs and recording how it's used in a procedure for consistency. Understanding the application, you are using as you will likely have to mentor others re: its use and develop solutions if technical issues occur. Effective communication with participants helps them understand what is to be expected, such as mute when not talking, don't speak over each other, say your name before you speak, find a quiet place to participate in the meeting, roll-call votes, if needed, etc.

Arkansas - We held two meetings using Zoom, they both went well.

California - The California Board of Accountancy (CBA) held its July meeting virtually. The facilitators of the meeting conducted two practice sessions with CBA members and staff. The practice sessions allowed members and staff to work out any issues prior to the meeting. Staff were also available to assist participants the day of the meeting that encountered issues.

Georgia - Just keep it moving.

Hawaii - We have had 2 so far and I think the most important aspect is making sure the board is aware of the need to be as transparent as possible with their discussion/decisions. This means taking the time to state your name each time you speak as well as other small administrative measures to ensure everyone knows who is saying what when.

Idaho - Providing clear directions and expectations days prior to the meeting were key for us. The board members were very aware of how the session would look at how certain process (such as voting) would occur. Communication was key along with having a staff member who is savvy with Zoom, WebEx, Teams, etc.

Illinois - Make sure the administrator of the virtual meeting is familiar with all of the tools of the meeting application and how to use them.

Indiana - More successful when everyone is able to have camera on. Makes for a more engaging process.

Iowa – Keep them short.

Louisiana -We only had one in April for time critical items the Board needed to address (contracts that needed renewal). Since then we have all gotten more comfortable and better adapted to virtual meetings, and I'd like to see virtual meetings allowed in the future (with public access of course). It was a lot more convenient and easier to schedule in many ways, was of course far less expensive in travel and time resources, and safer from a public health perspective.

Michigan - Our meetings have been pretty successful. We only allow board members to show their faces during official board meetings.

Mississippi – Have a host that is familiar with the technology.

Missouri - We have minimal experience so far in virtual meetings, so we welcome suggestions from others.

Nebraska - For our first meeting, it went well utilizing WebEx technology supported by state government. It is a must to know your technology well before the meeting.

New Mexico - We have found that not adding too much to the agenda and not rushing the meeting has made our virtual meetings successful. We also provide the public with a list of tips and instructions on how to make their virtual meeting experience a positive one.

New York - Plan ahead, do a trial run with a few, select board members, and practice using the technology in advance of the meeting.

North Dakota - One of the most difficult things is that we talk over each other occasionally due to the delay of audio or video transmission. It is a difficult way to conduct meetings but for the most part we have been able to keep on task and take care of business as needed.

Ohio - Establishing and reinforcing good etiquette and guidelines (muting, stating name before speaking, allowing others to finish speaking, etc.) as well as doing dry-runs before EVERY meeting.

Oregon - We are using Zoom which allows for "waiting rooms" which is helpful when conducting Executive Session meetings.

Pennsylvania - Required those Members not talking to mute themselves due to background noise. Changed the voting process to "Yea's" and "Nays" versus a "go around the table" vote for every Board Member. Changed Executive Session to first thing (9:00 a.m.) and then opened to the Public Meeting (10:30 a.m.)

Puerto Rico - Understanding the platform is key to successful virtual meeting.

South Carolina – We use WebEx

South Dakota - Understand your platform, have a good connection and an option to call-in for those unable to use their computers.

Tennessee - Have a process in place for discussions to avoid talking over one another. For example, using the chat or raise your hand function to make comments. Have the chair explain your process at the beginning of the meeting, as well as how a member of the public can make comments. This ensures that attendees know what to expect.

Texas - Alcohol would help.

Virginia - We had only one fully virtual board meeting in May 2020 and we condensed the agenda to critical topics that needed to be discussed. We did not have a closed session at this meeting. We have had other board meetings that had a combination of virtual and physical participation. We have been able to successfully hold closed sessions by using different access codes.

Virgin Islands - Use a medium that everyone is familiar with or have a training session before the meeting. Also, make it a rule that all attendees must turn their camera on.

Washington - Organize and plan the agenda. Make sure that the opportunity for public input is provided for. Ensure that meeting information is provided to the public along with instructions on how to attend.

4. Does your state have any requirements or restrictions regarding travel in 2021?

No: Alaska, Arizona, Georgia, Idaho, Mississippi, Nevada, North Dakota, Puerto Rico, South Dakota, Texas, Virginia Virgin Islands.

Alabama - Traveling for State business is extremely limited at this time.

California - An Executive Order, issued in 2011, restricts in-state and out-of-state travel (OST), unless it is defined as mission critical. Further, as a result of the COVID-19 pandemic and the State's current fiscal crisis, the CBA was informed by the Department of Consumer Affairs, that all OST requests for Fiscal Year 2020-21 were denied. Governor Newsom signed an executive order easing the restrictions regarding teleconference meetings, which allows state agencies, including the CBA, to conduct meetings virtually until further notice, which has nearly eliminated all travel.

Illinois - Yes, travel has been restricted until further notice.

Iowa - Yes, quarantined for two weeks if travel out of state.

Louisiana - Since March 2020, we have been under various emergency declarations that require travel out of state to be communicated, but there are no current restrictions for 2021.

Michigan - Yes

Minnesota - Unknown. Travel restriction currently in place. Will cut travel if needed to operate budget.

Missouri - Non-essential travel is not allowed.

New Mexico - At this time travel is restricted until June 2021

Nebraska - There are pandemic related or other restrictions that we are aware of currently going into 2021.

New York - NY has had travel restrictions to NASBA meetings in place for over a decade. It would not appear to be changing in 2021 with the severe budget deficit.

Oklahoma - We are under travel restrictions and must get cabinet secretary approval to travel. This was pursuant to an executive order issued by our Governor.

Ohio - No out of state travel, only essential in state travel.

Pennsylvania - Pennsylvania still has a travel ban that has been in place for several years now.

South Carolina - We are currently still limited to essential travel, as we are in phase 2 of the governor's reopening.

Washington - We have pretty much shut down travel during the pandemic. I don't see it returning until a vaccine is widely available.

5. What is happening in your jurisdiction that is important for other State Boards and NASBA to know about?

Alaska - We are still experiencing random shutdowns and new/amended mandates.

Arizona - To reduce its fund balance, the board amended its rules to provide for a temporary registration fee discount for individual CPA renewals due during FY 2021 and FY 2022.

Georgia - To reduce its fund balance, the board amended its rules to provide for a temporary registration fee discount for individual CPA renewals due during FY 2021 and FY 2022.

Hawaii - We are currently trying to get our recent rule amendments heard at an upcoming public hearing.

Illinois - Updates to the Administrative Rules have been posted for public review.

Indiana – Continued requests for exam and NTS extensions.

Louisiana - After two hurricanes hitting our southwest coast six weeks apart, our CPAs and firms are continuing to work with clients and employers to meet deadlines. Our board will consider waivers of CPE hours at its next meeting for those affected. Our CPA exam candidates, who have already received extensions of exam credits due to COVID and test center closures, are already requesting additional extensions due to those hurricanes.

Michigan - We are working to simplify our rules and align rules. We use the Uniform Accounting Act to assist us with this process. We refer to the authoritative bodies (e.g. AICPA) in our rule setting.

Minnesota - Order recently issued with a \$10,000 civil penalty for failed peer review issues and operating firm without a license.

Nebraska - The Board submitted its budget to the State Budget Office for consideration of the Governor. A new law passed will allow exam candidates to sit 120 days before they complete the 150-hour education requirement with the target being Master level candidates sitting within their last semester of studies. Before it was 90 days.

Members Shelly Stromp and Mike McClure have completed eight years of successful Board service and are term limited. It is anticipated Governor Ricketts will appoint two new members to the Board this fall.

New Mexico - We are preparing to host a virtual swearing in ceremony. On August 25, 2020 we held a successful Rule Hearing. The Board's rules are now in accordance with the continuous testing law. Unfortunately, one of our long time Board members, William Bill Golden, passed away in late August. We are now short two board members (one professional member and one public member).

New York - The board staff is working from home through at least October 2, 2020.

North Dakota - No changes know about, however we do expect some legislation to be brought forward on licensure, our rules and statute should be fine as we don't have the barriers that other professions have to entry into the profession and our statute has been looked as the model in the state.

Oklahoma - We are looking for some help dealing with the occupational licensing issue this session of our legislature.

We are in the process of changing licensing software.

Oregon - We are working on the beginning stages to implement an online licensing project

Puerto Rico - Other than COVID-19 and how it is changing the way we use to operate; we do not have any other major incidents to report.

South Carolina - We understand that SCACPA has put together a task force to review the accountancy practice act, the board does not have the authority to draft or take a position on statutes.

Tennessee - The following officer appointments were voted on by the Board at their most recent meeting. Kevin Monroe was re-elected as Chairman for the upcoming year. Andy Bonner was elected Vice-Chair and Larry Elmore will serve as the Board's Secretary.

Texas - We moved our offices during August to: 505 East Huntland Drive – Suite 380, Austin, TX 78752-3757.

Virginia - We are revamping our Virginia Specific Ethics course for 2021 allowing for a choice of providers. International licensees and candidates continue to have access issues, but requests are considered on a case by case basis.

Washington - We have been a two tier state up until the present. We are hoping to get a bill introduced in the '21 LEG to simplify our use of the title "CPA inactive"

6. How can NASBA be of assistance to your Board at this time?

Alaska - Continue to keep boards updated on COVID response protocols/procedures.

Arizona - We appreciate the ongoing assistance of NASBA. Each month, NASBA sends out email reminders to our CPAs and CPA firms about their registrations being due. They also assist us with one-time communications for things like legislative or rule updates and more recently COVID updates.

Idaho - As more clarity is brought to the reorganization mentioned above, we may ask NASBA for a letter reiterating the importance of a Board of Accountancy and what challenges may come should the state decide at a later date that the Board does not need a fully dedicated executive director to lead it.

Illinois - Continue to be supportive.

Indiana - Please let me know if Indiana is behind on any trending topic such as if we haven't announced a board policy publicly that other states have, i.e., exam extensions.

Michigan - Continue to keep us informed about challenges to the profession and upcoming changes.

Nebraska - NASBA has been very responsive during the pandemic regarding exam and other issues providing communications to assist State Boards. We were able to utilize NASBA communications on our website to assist exam candidates and other updates. Our Board is always appreciative of the staff and leadership of NASBA.

North Dakota - We are already using many of the tools you provide to us like CPE tracking and Newsletter help.

New Mexico - We would greatly appreciate some help with the virtual swearing in ceremony.

Ohio - Continuing to communicate changes/updates.

Oklahoma - Continue with support.

Pennsylvania - NASBA has been wonderful throughout this entire "crisis" period. Staff are responsive and helpful. We would like to move forward with the examination import process.

South Carolina - Continue to keep us informed about challenges to the profession and upcoming changes.

Virgin Islands - Our board is currently reviewing its current legislation to see where changes/updates are needed as well as to clarify confusing language.

Washington - The legislative support is very handy in identifying bills that may have an impact on our agency. So if you could keep that up, it would be grand!

7. How were the responses shown above compiled?

Input only from Board Chair: IN, IL DFPR, MI, ND

Input only from Executive Director: AL, ARK, AZ, DE, GA, IA, ID, IL – BOE, GA, KS, LA, MN, MO, NE, OR, PA, SC, VA, WA,

Input only from Board Chair and Executive Director: AK, NM, TX

Input from all Board Members and Executive Director: CA, NV, OK, SD

Input from some Board Members and Executive Director: NY, TN

Input from all Board Members:

Input from some Board Members:

Other: Completed by Investigations Supervisor with input from Assistant Executive Director