

South Dakota State BOARD OF ACCOUNTANCY

Vol. 28, No. 1

Public Information Newsletter

February 2008



Board News. . .

Congratulations!

to our reappointed Board Members:

John M. Mitchell, CPA
John J. Linn, Jr., CPA

Welcome!

to our new Board Member:

Holly L. Brunick, CPA

Holly Brunick, CPA, is a director with McGladrey & Pullen, LLP in their Sioux Falls office. She is involved with audits and services to clients in a variety of industries including manufacturing, construction and not-for-profit and a variety of clients with employee benefit plans. Holly is a member of the American Institute of Certified Public Accountants and the South Dakota CPA Society. She also serves on the Board of Directors of SD Achieve and the Better Business Bureau. Holly graduated from the University of South Dakota in 1982 and has been a licensed CPA in South Dakota since 1984.

FROM THE DEPT OF LEGISLATIVE AUDIT

We have been hearing of more governments having difficulty finding auditors. To try to help facilitate the matching of auditors and governments, we have added a feature to our website. The governments can click a link and send us a message telling us they need an auditor. We then put information about the government needing an audit in a table on our website for use by the CPA firms. You can look at what we are doing at the following link:

http://www.state.sd.us/legislativeaudit/IPAs/LookingForIPA_all.htm

EXAM FEE INCREASE

The Board is committed to keeping the cost of the exam down to candidates and will pass on only those increases which are incurred by the Board. The AICPA will increase their seat time by \$15.00 per section and Prometric will increase their seat time by \$1.95 per section. Exam fee increases are scheduled for candidates that are issued an NTS after May 16, 2008. The following is the increase per section:

Exam Section	Current Fee	New Fee
AUD	239.33	256.28
BEC	191.63	208.58
FAR	227.40	244.35
REG	203.55	220.50

The Board is not increasing the administrative fee of \$30 included in the cost of each section.

Please contact the Board office with any questions.

IN THIS ISSUE

Request for Proposal	2
Computerized Exam Statistics	3
New Licensees & Firms	3
Top Candidates	3
News from SD CPA Society	4
FAQ's	4
Board Members & Staff	5
Address Change Form	6

REQUEST FOR PROPOSAL

TO PROVIDE AN AUDIT OF
South Dakota Board of Accountancy
For two years ending June 30, 2008

1. Return your proposal to:

Nicole Olson, Executive Director
South Dakota Board of Accountancy
301 E. 14th St. Suite 200
Sioux Falls, SD 57104

Inquiries concerning your proposal should be directed to Nicole Olson at 605-367-5770.

2. Audit Schedule

- a. A written proposal is due at the above address before 5 PM on April 30, 2008.
- b. The Board will award the audit engagement, contingent upon authorization by the Auditor General, on or about May 20, 2008.
- c. The selected auditor will begin work as soon as practical. Audit fieldwork must be completed and the final report issued on or before November 30, 2008.

3. Scope of Audit

- a. An audit shall be made of South Dakota Board of Accountancy for two years ending June 30, 2008.
- b. The audit must be performed in accordance with the guidelines of the Auditor General and generally accepted government auditing standards for financial and compliance audits as set forth in the applicable revision to Government Auditing Standards, issued by the Comptroller General of the United States. The purpose of the audit is to issue an opinion on the Financial Statements of the South Dakota Board of Accountancy, and report on its compliance with applicable legal requirements and its internal control in accordance with those standards.

4. Audit Report Review and Processing

- a. The Auditor General will review a draft of the audit report, and may request to review the related working papers, prior to the acceptance of the completed report as required by SDCL 4-11-7.
- b. The audit firm is required to print reports and distribute them as promulgated in the Auditor General's guidelines. Additionally 2 copies must be provided to the Board.
- c. Auditor's Comments, if any, are required to be included as a part of the final report package.

d. The Board will respond to any Auditor's Comments or reported instances of noncompliance noted in the report. Our response must be included in the report.

e. The auditor shall retain working papers for a minimum of five years from fieldwork date unless notified in writing by the Auditor General to extend the minimum retention period. The auditor shall make their working papers available to the Auditor General, federal Inspectors General or their representatives, and subsequent auditors upon request.

5. Auditor Qualifications

- a. The auditor hired to perform the audit must possess a current firm permit to practice from the South Dakota Board of Accountancy.
- b. The auditor must be either a Certified Public Accountant or a Public Accountant initially issued on or before June 30, 1984.
- c. The auditor should indicate that any persons involved in planning, directing, conducting substantial portions of the fieldwork or reporting on the audit are in compliance with the Continuing Education and Training requirements of Government Auditing Standards.
- d. The Auditor should state that their firm has undergone a Quality Review or that it will undergo a Quality Review in accordance with Government Auditing Standards. A copy of the most recently completed report on such review must accompany the proposal.
- e. The names and qualifications of the staff members who will actually conduct the audit fieldwork and report on the audit should be provided.
- f. The auditor should affirm that they and any assistants are independent from the South Dakota Board of Accountancy.
- g. The firm must provide proof of professional liability insurance and commercial liability insurance with the proposal. If insurance is not carried on the aforementioned areas an explanation must be provided.

6. Compensation and Terms of Payment

- a. The auditor shall submit an estimate of the anticipated audit hours required, current billable hourly rates and approximate cost. A "not-to-exceed" amount shall also be stated in the proposal. To facilitate the estimation process the books and records will be available by appointment during normal business hours for inspection.

NEW LICENSEES

Jatinder K. Singh	Troy Jeremy Roskens
Kayla V. Reiffenberger	Janelle Lyn Jessen
Marne Sue Fetherhuff	Lacey Lynne Weber
Sara Jayne Andrews	Monica Anne Noble
Nathan Douglas Stadheim	Stacy Ann Scholten
Brian Charles Wesley Lueking	Brenda Sue Hudelson
Brian Thomas Rawerts	Max Todd Wilen
Patrice Michelle Steinman	Lacey Jean Andrews
Evanie Joy Appletoft	Mark Allen Sharnberg
Michael Francis Bannwarth	April Ann Hericks
Emily Linn Schaefer	Rebecca Rose Wald
Janis Marie Sues	Niki Ann Mohr
Brian Allen Vander Weyst	Angela M. Bevers
Rachel Renee Schuldt	Sheila Rae Schroeder
Ronald Hendrik van Doorn	Jennifer Ann Rice
Christopher Lee Bouwman	Kyle Michael Hays
Danielle Lee Mikkelson	

NEW FIRM PERMITS ISSUED

Dan Heard Co., P.C. – Brandon, SD
 LarsonAllen LLP – Tampa, FL
 Williams & Company, CPA, P.C. – Sioux Falls, SD
 Kerber, Eck & Braeckel LLP – Springfield, IL
 Capital Accounting, PC – Bismarck, ND
 Bridget Wenande, CPA/ABV – Sioux Falls, SD
 Karen Simmons, CPA, PC – Spearfish, SD
 Cochran Enterprises – Rapid City, SD
 KPMG LLP – Des Moines, IA
 Rodahl & Company LLC – Fort Collins, CO
 Deloitte & Touche LLP – Washington, DC
 UHY LLP – New Haven, CT
 KPMG LLP – Los Angeles, CA
 Cindy Kennedy, CPA, MBA – Rapid City, SD
 Nicky Watson, CPA, Prof. L.L.C. – Watertown, SD
 Ebel Heard & Co. – Rock Rapids, IA
 Ebel Heard & Co. – Brandon, SD
 Grant Thornton LLP – Kansas City, MO
 Blackman Kallick Bartelstein, LLP – Chicago, IL
 Capin Crouse, LLP – Colorado Springs, CO
 Nemeck & Associates – Sioux Falls, SD
 Killmer & Associates, PC – Sioux Falls, SD
 Browder & Associates, P.C. – Homewood, AL
 Stuart J. Bonniwell, CPA – Minneapolis, MN
 L. Boomsma, CPA, PC – Huron, SD
 Garret TenBroek, CPA, P.C. – Faith, SD

CONGRATULATIONS TO OUR TOP CANDIDATES

Congratulations to the following individuals for passing all four sections of the CPA exam on their first attempt; sitting uninterrupted.

Name	University
Susan Schofield	Black Hills State University
Rachel Hoefert	University of Sioux Falls
Teresa Bult	University of South Dakota
Leila Shah	University of South Florida

Reinstatement of CPA licensee
 Michael B. Olson – CPA license 1673

REVOKED LICENSEES

The following individuals had their license revoked for non-compliance with renewal requirements.

Name	Address	License #
Ronald L. Hintz	2700 Westown Pkwy#400 West Des Moines, IA 50266	2343
Karl J. Sanders	2681 Horseshoe Lane Woodbury, MN 55125	1497
Kurt R. Eickschen	7095 Country Road Six Maple Plain, MN 55359	1858
Allen R. Canete	625 9th St. #500 Rapid City, SD 57701	1841

SOUTH DAKOTA TO NATIONAL UNIFORM CPA EXAM PASS RATE STATISTICS

	2007	Jan-Feb	Apr-May	Jul-Aug	Oct-Nov	CUM
AUD	62.5/44.4	45.5/48.4	68.8/51.3	59.3/45.5	58.0/47.6	
BEC	64.3/43.8	44.4/48.1	55.6/47.1	44.8/46.7	50.6/46.6	
FAR	73.3/43.7	64.3/49.4	47.1/52.4	50.0/46.0	58.1/48.2	
REG	37.5/42.0	36.4/47.9	82.4/50.3	31.3/46.5	50.0/47.0	

The above statistics represent 206 candidates sitting for 274 parts of the examination.

DON'T FORGET.....

Mail from the Board office does not forward.

Notify the board of any change in address, employment, telephone number or email address within 30 days of the change.

It is also important to report other significant changes in your practice, such as name changes, personnel changes, and partner changes.

FROM THE SOUTH DAKOTA CPA SOCIETY

The South Dakota CPA Society will be offering the two day course How to Conduct a Peer Review Under the AICPA Practice Monitoring Program on May 8 & 9, 2008, in Sioux Falls.

What are the Qualifications Necessary to become a Reviewer?

- Be a member of the AICPA in good standing
- Be active in public practice at a supervisory level in the accounting or auditing function
- Have 5 years of public accounting experience

In addition, if you are a partner in your firm, you are qualified to be a team captain.

For more information please visit:

http://www.aicpa.org/members/div/practmon/become_peer_reviewer.htm

FREQUENTLY ASKED QUESTIONS

If you have any questions, please do not hesitate to contact the board office. We are here to provide assistance to you. Helping you understand the accountancy laws and rules governing the accounting profession helps us to promote the Board's mission of public protection!

How long is my NTS valid?

Your NTS will be valid for one year. This will be your set period of time to schedule and take the exam section(s) for which you have been issued an NTS. After one year of receiving an NTS for any given section your NTS will expire and you will be required to re-apply. The board recommends scheduling during the same window in which your NTS is issued.

What is the current cost of the Uniform CPA Examination?

<u>SECTION</u>	<u>EXAM LENGTH</u>	<u>FEE</u>
Auditing (AUD)	4.5 Hours	\$239.33
Accounting (FAR)	4.0 Hours	\$227.40
Regulation (REG)	3.0 Hours	\$203.55
Business (BEC)	2.5 Hours	\$191.63

What do I do if my testing session is interrupted?

Do not leave the testing center without completing a Center Problem Report (CPR). Once you have completed

the CPR call us at the state board office and we will ensure immediate implementation of proper re-testing procedures if necessary.

What can I do to prepare for the computer-based exam?

Visit www.cpa-exam.org and participate in the tutorial available. Also, familiarize yourself with the professional literature governing accounting, auditing and tax standards. You may visit www.aicpa.org to find information pertaining to the AICPA Professional Standards. The Financial Accounting Standards Board (FASB) has made their professional literature available at their website www.fasb.org. All sections of the computerized exam except the BEC section require candidates to access professional standards in the research portion of the simulations. Familiarization with accessing of professional standards on line is critical to your successful completion of this segment of the exam section(s). The AICPA offers a one year subscription to the on-line Professional Standards for exam candidates. Please visit their website for information on obtaining a subscription to on-line professional standards for both student members and non-student members.

When will I receive my scores/grades?

The AICPA is responsible for making the final determination on score/grade release dates. The Board anticipates receiving the scores within the first three to four weeks after testing is completed for the window which you have sat. Once the score reports are received in the board office, they will be sent out within one business day.

CPE Questions asked by Licensees

How do I know if a course qualifies as CPE?

ARSD 20:75:04:02 describes the general qualifying criteria of continuing professional education. It must be a program of formal learning that directly contributes to the professional competence of a licensee in the practice of accountancy. A program that promotes professional competence in the practice of accountancy is defined as one that refers to the process, methods, or principles of accounting or directly relates to the licensee's employment and is above the level of the licensee's current knowledge. The course provider should provide a completion certificate and retain an attendance sheet or four years. The board accepts all QAS and Registry approved courses which can be verified at CPEMARKET.COM.

What documentation is required to be kept to validate a CPE course? (ARSD 20:75:04:14)

The following documentation of a CPA's or PA's participation in sponsored learning activities should be retained by the CPA or PA for four years:

1. Name and address of CPE sponsor
2. Title and description of content
3. Dates of program;
4. Location of program; and
5. Number of credits.

Any CPA or PA claiming continuing professional education provided by informal organizations must maintain documentation as required by ARSD 20:75:04:19 and 20:75:04:20.

What is acceptable evidence of completion of a CPE course? (ARSD 20:75:04:15)

1. For group and independent study programs, a certificate or other verification supplied by the CPE program sponsor;
2. For self-study programs, a certificate supplied by the CPE program sponsor after satisfactory completion of an examination;
3. For instruction credit, a certificate, program outline, or other verification supplied by the CPE program sponsor;
4. For a university or college course that is successfully completed for credit, a record or transcript of the grade the participant received;
5. For university or college noncredit courses, a certificate of attendance issued by a representative of the university or college;
6. For published articles, books, or CPE programs:
 - a. A copy of the publication, or in the case of a CPE program, course development documentation, that names the writer as author or contributor;
 - b. A statement from the writer supporting the number of CPE hours claimed; and
 - c. The name and contact information of the independent reviewer or publisher.

FUTURE BOARD MEETINGS

January 25 – 8:00 a.m. (CT) Conference Call
March 28 – 8:00 a.m. (CT) Conference Call
May 5 – 8:30 a.m. Dept. Legislative Audit, Pierre SD

For future meeting dates, please visit our website
www.state.sd.us/dol/boards/accountancy

SOUTH DAKOTA
BOARD OF ACCOUNTANCY
(605) 367-5770
(605) 367-5773 - FAX
www.state.sd.us/dol/boards/accountancy

Board Members

David G. Olson, CPA
Chair
Mitchell

Marty Guindon, CPA
Auditor General
Vice-Chair
Pierre

John J. Linn, Jr., CPA
Secretary-Treasurer
Pierre

John Mitchell, CPA
Member
Rapid City

Holly Brunick, CPA
Member
Sioux Falls

John E. Peterson, PhD
Lay Member
Aberdeen

Nicole Olson
Executive Director

Julie Iverson
Sr. Secretary

Tricia Nussbaum
Secretary

MOVING - LET US KNOW

SDCL: 36-20B-29 requires holders of certificates to notify the Board within 30 days of change of address or in employment.

Certificate Holder _____
Last Name Jr./III First Middle

Certificate # _____ Send Mail to _____ Home _____ Business _____

New Home Address _____

City _____ State _____ Zip _____

CPA Firm/Business Name _____ State _____ Zip _____

New Business Address _____

City _____ State _____ Zip _____

Bus. Telephone: () _____ Home () _____

Bus. Fax () _____ E-mail address _____

Mail to: South Dakota Board of Accountancy

Fax to: (605) 367-5773



South Dakota Board of Accountancy
301 E. 14th Street, Suite 200
Sioux Falls, SD 57104