

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

ELO CPA's & Advisors – Conference Room  
6300 S Old Village Pl. Unit 100, Sioux Falls, SD

&

via [Microsoft Teams](#)

Meeting ID:288 685 268 877 Passcode: RUZu3A

Or

Call +1-605-679-7263/ID:606 017 928#

August 7, 2024, 8:30 a.m. (CDT)

A=Action

D=Discussion

I=Information

A. Call to Order.....	Budahl
B. Public Comment.....	Oratory
C. A-Nominating Committee.....	Oratory
D. A-Approval of Minutes of Meeting June 18, 2024.....	2-3
E. A-Approval of Certificates & Firm Permits.....	4-5
F. A-Approval of Financial Statements through July 2024.....	6-16
G. A-CPE Audit Review Committee.....	17-18
H. A-Report to Board on NASBA Annual Meeting.....	19-22
I. A-FY26 Proposed Budget.....	23-24
J. D-Executive Director's Report.....	25-29
K. D-10:30 SD CPA Society.....	30

**EXECUTIVE SESSION pursuant to SDCL 1-25-2**

L. Equivalent Reviews, Follow-Up, and Enforcement Case for Board Approval.....	Spt. Pkt.
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**FUTURE MEETING DATES (all times CDT)**

M. Meeting Dates  
October 3 – 9:00 Teams Meeting

N. Adjournment

**Meeting Minutes**  
**SOUTH DAKOTA BOARD OF ACCOUNTANCY**  
Meeting Via Zoom  
June 18, 2024 8:00 a.m. CDT

Chair Deidre Budahl called the meeting to order at 8:00 a.m. A quorum was present.

**Members Present:** Jay Tolsma, Russell Olson, Holly Engelhart, Jeff Strand, Priscilla Romkema, and Deidre Budahl.

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

Olson made a motion to approve the agenda. Romkema seconded the motion. **MOTION PASSED.**

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

Strand made a motion to approve the May 2, 2024, meeting minutes. Tolsma seconded the motion. **MOTION PASSED.**

Engelhart made a motion to approve the certificates and firm permits issued through June 12, 2024. Romkema seconded the motion. **MOTION PASSED.**

Olson made a motion to approve the financial statements through May 2024. Strand seconded the motion. **MOTION PASSED.**

The Board discussed the CPE audit review committee recommendations for changes to the CPE audit failure guideline for consent agreements policy. Strand made a motion to table action until the August meeting. Olson seconded the motion. **MOTION PASSED.**

The Board reviewed the report on the CPA exam grades for the 80<sup>th</sup> window.

Romkema made a motion to ratify the CPA exam scores for the 80<sup>th</sup> window through March 2024. Engelhart seconded the motion. **MOTION PASSED.**

Executive Director Kasin discussed her report on individual and firm renewals due August 1, 2024, pre-budget discussion, topics for the August annual meeting with SD CPA Society, NASBA Eastern regional conference recap, NASBA Central regional nominating committee representative, state and national pipeline proposals.

The Board discussed the NASBA Board of Directors meeting minutes from January 19, 2024 and the Board of Directors meeting highlights from April 26, 2024.

Romkema made a motion at 9:27 a.m. to enter executive session for the deliberative process for peer reviews and follow-ups. Engelhart seconded the motion. **MOTION PASSED.**

The Board came out of executive session at 9:31 a.m.

Strand made a motion to accept the peer reviews and follow-ups as discussed in executive session. Engelhart seconded the motion. **MOTION PASSED.** (Tolsma abstained)

**FUTURE MEETING DATES** (all times CDT)

August 7, 2024 – 8:30 a.m. Sioux Falls, Eide Bailly, Sioux Falls

October 3, 2024 – 9:00 a.m. Teams meeting

Strand made a motion to adjourn the meeting. Tolsma seconded the motion. **MOTION PASSED.**

All business having come before the board was concluded and Chair Deidre Budahl adjourned the meeting at 9:42 a.m.

DRAFT

**CERTIFIED PUBLIC ACCOUNTANT CERTIFICATES  
BOARD COPY**

**Issued Through August 1, 2024**

Number	Name	Date Issued	Location
3685	Madeline M. Deetz	6/20/24	Sioux Falls, SD
3686	Alex James Van Ginkel	6/20/24	Sioux Falls, SD
3687	Charles Joseph Illg	7/01/24	Sioux Falls, SD
3688	Hannah Grace Van Meeteren	7/08/24	West Des Moines, IA

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

**Issued Through  
August 1, 2024**

<b>Number</b>	<b>Name</b>	<b>Date Issued</b>	<b>Basis/Comments</b>
1805	Weworski & Associates San Diego, CA	06/28/24	New Firm

STATE OF SOUTH DAKOTA  
CASH CENTER BALANCES  
AS OF: 06/30/2024

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

COMPANY	CENTER	ACCOUNT	BALANCE	DR/CR	CENTER DESCRIPTION
6503	103100061802	1140000	352,603.78	DR	BOARD OF ACCOUNTANCY
COMPANY/SOURCE TOTAL 6503 618			352,603.78	DR *	
COMP/BUDG UNIT TOTAL 6503 1031			352,603.78	DR **	
BUDGET UNIT TOTAL 1031			352,603.78	DR ***	

STATE OF SOUTH DAKOTA  
MONTHLY EXPENDITURE REPORT  
FOR PERIOD ENDING: 06/30/2024

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 APPVL #, OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/CR
COMPANY NO		6503								
COMPANY NAME		PROFESSIONAL & LICENSING BOARDS								
6503	103100061802	51010100	CGEX240612	06/14/2024					3,195.87	DR
		OBJSUB: 5101010	F-T EMP SAL & WAGES						3,195.87	DR *
6503	103100061802	51010200	CGEX240612	06/14/2024					2,541.02	DR
		OBJSUB: 5101020	P-T/TEMP EMP SAL & WAGES						2,541.02	DR *
6503	103100061802	51010300	CGEX240612	06/14/2024					420.00	DR
		OBJSUB: 5101030	BOARD & COMM MBRS FEES						420.00	DR *
		OBJECT: 5101	EMPLOYEE SALARIES						6,156.89	DR **
6503	103100061802	51020100	CGEX240612	06/14/2024					425.62	DR
		OBJSUB: 5102010	OASI-EMPLOYER'S SHARE						425.62	DR *
6503	103100061802	51020200	CGEX240612	06/14/2024					303.90	DR
		OBJSUB: 5102020	RETIREMENT-ER SHARE						303.90	DR *
6503	103100061802	51020600	CGEX240612	06/14/2024					669.73	DR
		OBJSUB: 5102060	HEALTH/LIFE INS.-ER SHARE						669.73	DR *
6503	103100061802	51020800	CGEX240612	06/14/2024					10.32	DR
		OBJSUB: 5102080	WORKER'S COMPENSATION						10.32	DR *
6503	103100061802	51020900	CGEX240612	06/14/2024					1.49	DR
		OBJSUB: 5102090	UNEMPLOYMENT COMPENSATION						1.49	DR *
		OBJECT: 5102	EMPLOYEE BENEFITS						1,411.06	DR **
		GROUP: 51	PERSONAL SERVICES						7,567.95	DR ***
6503	103100061802	52032600	CGEX240613	06/14/2024	551252				1,079.20	DR
		OBJSUB: 5203260	AIR-COMM-OUT-OF-STATE						1,079.20	DR *
6503	103100061802	52032800	CGEX240613	06/14/2024	551252				46.11	DR
		OBJSUB: 5203280	OTHER-PUBLIC-OUT-OF-STATE						46.11	DR *
6503	103100061802	52033000	CGEX240613	06/14/2024	551252				1,294.32	DR
		OBJSUB: 5203300	LODGING/OUT-OF-STATE						1,294.32	DR *
6503	103100061802	52033200	CGEX240613	06/14/2024	551252				85.00	DR
		OBJSUB: 5203320	INCIDENTALS-OUT-OF-STATE						85.00	DR *
6503	103100061802	52033500	CGEX240613	06/14/2024	551252				168.00	DR
		OBJSUB: 5203350	NON-TAXABLE MEALS/OUT-ST						168.00	DR *
		OBJECT: 5203	TRAVEL						2,672.63	DR **
6503	103100061802	52040100	PCEX012018	06/27/2024					649.00	DR
		OBJSUB: 5204010	SUBSCRIPTIONS						649.00	DR *

STATE OF SOUTH DAKOTA  
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BUDGET UNIT 1031 BOARD OF ACCOUNTANCY - INFO  
CENTER-5 10310 BOARD OF ACCOUNTANCY

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6503	103100061802	52041800	DP405100	06/20/2024					864.30	DR
		OBJSUB: 5204180	COMPUTER SERVICES-STATE						864.30	DR *
6503	103100061802	52042000	PL405062	06/14/2024					433.96	DR
		OBJSUB: 5204200	CENTRAL SERVICES						433.96	DR *
6503	103100061802	52042200	IN1166920	06/26/2024	02558774	ABBUSINESS	12036980		73.82	DR
		OBJSUB: 5204220	EQUIPMENT SERV & MAINT						73.82	DR *
6503	103100061802	52042300	24I003 JUL-JUN23	06/14/2024	311698	SUNSETOFFI	12627537		171.03	DR
		OBJSUB: 5204230	JANITORIAL & MAINT SERV						171.03	DR *
6503	103100061802	52044600	Q1344867	06/05/2024	00915663	QUADIENTLE	12219369		672.36	DR
		OBJSUB: 5204460	EQUIPMENT RENTAL						672.36	DR *
6503	103100061802	52045210	ACCOUNTRENT23-24	06/14/2024	311121	MCGINNISRO	12074040		1,380.75	DR
		OBJSUB: 5204521	REVENUE BOND LEASE PYMTS						1,380.75	DR *
6503	103100061802	52045300	CGEX240613	06/14/2024	551252				5.25	DR
6503	103100061802	52045300	TL404053	06/14/2024					148.00	DR
6503	103100061802	52045300	TL405054	06/21/2024					148.00	DR
6503	103100061802	52045300	8381416X05242024	06/05/2024	00071322	ATTMOBILIT	12279233		103.22	DR
		OBJSUB: 5204530	TELECOMMUNICATIONS SRVCS						404.47	DR *
6503	103100061802	52045400	5159417006 0524	06/05/2024	02554934	XCELENERGY	12023853		49.06	DR
		OBJSUB: 5204540	ELECTRICITY						49.06	DR *
6503	103100061802	52047400	CI104A-038	06/14/2024	371204				132.48	DR
		OBJSUB: 5204740	BANK FEES AND CHARGES						132.48	DR *
6503	103100061802	52049600	N294-155	06/14/2024					259.50	DR
6503	103100061802	52049600	N294-167	06/14/2024					475.75	DR
6503	103100061802	52049600	1096	06/07/2024	00915904	NATIONALAS	12005047		5,019.44	DR
		OBJSUB: 5204960	OTHER CONTRACTUAL SERVICE						5,754.69	DR *
		OBJECT: 5204	CONTRACTUAL SERVICES						10,585.92	DR **
6503	103100061802	52050200	IN4561412	06/21/2024	02558528	INNOVATIVE	12550348		90.29	DR
6503	103100061802	52050200	IN4562436	06/21/2024	02558528	INNOVATIVE	12550348		6.68	DR
6503	103100061802	52050200	0003423	06/26/2024	00919510	ECOWATERSY	12627232		25.35	DR
		OBJSUB: 5205020	OFFICE SUPPLIES						122.32	DR *
6503	103100061802	52053200	36337	06/26/2024	00919355	PREFERREDP	12308425		180.29	DR
		OBJSUB: 5205320	PRINTING-COMMERCIAL						180.29	DR *
		OBJECT: 5205	SUPPLIES & MATERIALS						302.61	DR **
6503	103100061802	5228000	T104-152	06/14/2024					695.19	DR
6503	103100061802	5228000	T104-160	06/30/2024					695.19	DR
6503	103100061802	5228000	T104-162	07/03/2024					51.00	DR



STATE OF SOUTH DAKOTA  
 MONTHLY EXPENDITURE REPORT  
 FOR PERIOD ENDING: 06/30/2024

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 APPVL #, OR PAYMENT #	SHORT NAME	VENDOR NUMBER	VENDOR GROUP	AMOUNT	DR/ CR
		OBJSUB: 5228000							1,441.38	DR *
		OBJECT: 5228							1,441.38	DR **
		GROUP: 52							15,002.54	DR ***
		COMP: 6503							22,570.49	DR ****
		CNTR: 103100061802							22,570.49	DR *****
		B. UNIT: 1031							22,570.49	DR *****

# South Dakota Board of Accountancy

## Balance Sheet

As of June 30, 2024

07/23/24

	Jun 30, 24
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1130000 · Local Checking - FIB	389.42
1140000 · Pool Cash State of SD	352,603.78
<b>Total Checking/Savings</b>	352,993.20
<b>Other Current Assets</b>	
1131000 · Interest Income Receivable	2,092.07
1213000 · Investment Income Receivable	3,147.26
<b>Total Other Current Assets</b>	5,239.33
<b>Total Current Assets</b>	358,232.53
<b>Fixed Assets</b>	
1670000 · Computer Software	
Original Cost	34,075.00
1770000 · Depreciation	-34,075.00
<b>Total 1670000 · Computer Software</b>	0.00
<b>Total Fixed Assets</b>	0.00
<b>TOTAL ASSETS</b>	<b>358,232.53</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2110000 · Accounts Payable	7,311.17
<b>Total Accounts Payable</b>	7,311.17
<b>Other Current Liabilities</b>	
2430000 · Accrued Wages Payable	12,000.19
2810000 · Amounts Held for Others	37,766.73
<b>Total Other Current Liabilities</b>	49,766.92
<b>Total Current Liabilities</b>	57,078.09
<b>Long Term Liabilities</b>	
2960000 · Compensated Absences Payable	37,744.93
<b>Total Long Term Liabilities</b>	37,744.93
<b>Total Liabilities</b>	94,823.02
<b>Equity</b>	
3220000 · Net Position	317,825.02
3900 · Retained Earnings	-39,047.13
Net Income	-15,368.38
<b>Total Equity</b>	263,409.51
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>358,232.53</b>

# South Dakota Board of Accountancy

## Profit & Loss Budget vs. Actual

July 2023 through June 2024

07/23/24

	Jul '23 - Jun 24	Budget	\$ Over Bud...	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	1,975.00	2,500.00	-525.00	79.0%
4293551 · Certificate Renewals-Active	75,990.00	62,500.00	13,490.00	121.6%
4293552 · Certificate Renewals-Inactive	23,450.00	19,500.00	3,950.00	120.3%
4293553 · Certificate Renewals-Retired	2,390.00	1,650.00	740.00	144.8%
4293554 · Initial Firm Permits	800.00	700.00	100.00	114.3%
4293555 · Firm Permit Renewals	17,900.00	14,500.00	3,400.00	123.4%
4293557 · Initial Audit	240.00	700.00	-460.00	34.3%
4293558 · Re-Exam Audit	2,130.00	1,960.00	170.00	108.7%
4293560 · Late Fees-Initial Certificate	50.00	0.00	50.00	100.0%
4293561 · Late Fees-Certificate Renewals	3,150.00	3,000.00	150.00	105.0%
4293563 · Late Fees-Firm Permit Renewals	400.00	500.00	-100.00	80.0%
4293564 · Late Fees-Peer Review	2,100.00	1,300.00	800.00	161.5%
4293566 · Firm Permit Owners	154,035.00	127,000.00	27,035.00	121.3%
4293567 · Peer Review Admin Fee	4,575.00	5,500.00	-925.00	83.2%
4293568 · Firm Permit Name Change	200.00	100.00	100.00	200.0%
4293569 · Initial FAR	600.00	1,140.00	-540.00	52.6%
4293570 · Initial REG	150.00	660.00	-510.00	22.7%
4293571 · Inital BEC	600.00	930.00	-330.00	64.5%
4293572 · Re-Exam FAR	1,410.00	1,860.00	-450.00	75.8%
4293573 · Re-Exam REG	1,620.00	2,310.00	-690.00	70.1%
4293574 · Re-Exam BEC	1,230.00	2,310.00	-1,080.00	53.2%
4293575 · Initial BAR	0.00	0.00	0.00	0.0%
4293576 · Initial ISC	0.00	0.00	0.00	0.0%
4293577 · Initial TCP	0.00	0.00	0.00	0.0%
4293578 · Re-Exam BAR	150.00	0.00	150.00	100.0%
4293579 · Re-Exam ISC	90.00	0.00	90.00	100.0%
4293580 · Re-Exam TCP	210.00	0.00	210.00	100.0%
4491000 · Interest and Dividend Revenue	10,331.83	8,000.00	2,331.83	129.1%
4896021 · Legal Recovery Cost	8,555.56	1,000.00	7,555.56	855.6%
<b>Total Income</b>	<b>314,332.39</b>	<b>259,620.00</b>	<b>54,712.39</b>	<b>121.1%</b>
<b>Gross Profit</b>	<b>314,332.39</b>	<b>259,620.00</b>	<b>54,712.39</b>	<b>121.1%</b>
<b>Expense</b>				
5101010 · F-T Emp Sal & Wages	83,858.54	92,983.00	-9,124.46	90.2%
5101020 · P-T/Temp Emp Sal & Wages	61,291.67	55,641.00	5,650.67	110.2%
5101030 · Board & Comm Mbrs Fees	5,580.00	3,600.00	1,980.00	155.0%
5102010 · OASI-Employer's Share	10,440.21	11,370.00	-929.79	91.8%
5102020 · Retirement-ER Share	7,721.00	8,917.00	-1,196.00	86.6%
5102060 · Health /Life Ins.-ER Share	22,497.12	30,633.00	-8,135.88	73.4%
5102080 · Worker's Compensation	261.27	357.00	-95.73	73.2%
5102090 · Unemployment Insurance	37.79	149.00	-111.21	25.4%
5203010 · In State-Auto-State Owned	0.00	250.00	-250.00	0.0%
5203020 · In State-Auto-Priv. Low Miles	160.72	400.00	-239.28	40.2%
5203030 · In State-Auto-Priv. High Miles	925.14	1,500.00	-574.86	61.7%
5203100 · In State-Lodging	233.53	1,000.00	-766.47	23.4%
5203120 · In State-Incidentals to Travel	0.00	100.00	-100.00	0.0%
5203140 · InState-Tax Meals-Not Overnight	42.00	100.00	-58.00	42.0%

# South Dakota Board of Accountancy

## Profit & Loss Budget vs. Actual

July 2023 through June 2024

07/23/24

	Jul '23 - Jun 24	Budget	\$ Over Bud...	% of Budget
5203150 · InState-Non Tax Meals-Overnight	153.32	400.00	-246.68	38.3%
5203220 · OS-Auto Private Low Mileage	203.84	0.00	203.84	100.0%
5203230 · OS-Auto Private High Mileage	573.24	200.00	373.24	286.6%
5203260 · OS-Air Commercial Carrier	3,775.77	7,000.00	-3,224.23	53.9%
5203280 · OS-Other Public Carrier	398.24	700.00	-301.76	56.9%
5203300 · OS-Lodging	9,192.84	9,000.00	192.84	102.1%
5203320 · OS-Incidentals to Travel	554.00	500.00	54.00	110.8%
5203350 · OS-Non Taxable Meals-Overnight	1,014.00	1,000.00	14.00	101.4%
5204010 · Subscriptions	649.00	1,000.00	-351.00	64.9%
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	4,100.00	4,100.00	0.00	100.0%
5204050 · Consultant Fees - Computer	31,752.26	27,000.00	4,752.26	117.6%
5204080 · Consultant Fees--Legal	0.00	0.00	0.00	0.0%
5204160 · Workshop Registration Fees	7,330.00	7,500.00	-170.00	97.7%
5204180 · Computer Services-State	9,193.15	6,000.00	3,193.15	153.2%
5204181 · Computer Development Serv-State	0.00	2,000.00	-2,000.00	0.0%
5204200 · Central Services	10,452.90	9,000.00	1,452.90	116.1%
5204220 · Equipment Service & Maintenance	63.33	300.00	-236.67	21.1%
5204230 · Janitorial/Maintenance Services	2,052.36	2,100.00	-47.64	97.7%
5204330 · Computer Software Lease	825.38	190.00	635.38	434.4%
5204340 · Computer Software Maintenance	0.00	1,000.00	-1,000.00	0.0%
5204360 · Advertising-Newspapers	145.78	500.00	-354.22	29.2%
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	3,656.44	4,000.00	-343.56	91.4%
5204480 · Microfilm and Photography	0.00	0.00	0.00	0.0%
5204490 · Rents Privately Owned Property	0.00	0.00	0.00	0.0%
5204510 · Rent-Other	0.00	500.00	-500.00	0.0%
5204521 · Revenue Bond Lease Payment	16,569.00	16,569.00	0.00	100.0%
5204530 · Telecommunications Services	2,547.59	5,500.00	-2,952.41	46.3%
5204540 · Electricity	578.92	900.00	-321.08	64.3%
5204560 · Water	152.10	240.00	-87.90	63.4%
5204590 · Insurance Premiums/Surety Bonds	1,696.69	1,710.00	-13.31	99.2%
5204730 · Maintenance Contracts	0.00	0.00	0.00	0.0%
5204740 · Bank Fees and Charges	5,936.95	7,650.00	-1,713.05	77.6%
5204960 · Other Contractual Services	2,184.56	0.00	2,184.56	100.0%
5205020 · Office Supplies	529.94	3,000.00	-2,470.06	17.7%
5205028 · Office Supplies-2	0.00	0.00	0.00	0.0%
5205040 · Education & Instr. Supplies	488.55	300.00	188.55	162.9%
5205310 · Printing State	0.00	100.00	-100.00	0.0%
5205320 · Printing/Duplicating/Binding Co	344.94	500.00	-155.06	69.0%
5205330 · Supplemental Publications	481.95	700.00	-218.05	68.9%
5205340 · Microfilm Supplies/Materials	0.00	0.00	0.00	0.0%
5205350 · Postage	2,000.00	2,000.00	0.00	100.0%
5207430 · Office Machines	0.00	100.00	-100.00	0.0%
5207491 · Telephone Equipment	16.98			
5207900 · Computer Hardware	0.00	6,800.00	-6,800.00	0.0%
5207950 · System Development	0.00	1,000.00	-1,000.00	0.0%
5207955 · Computer Hardware Other	0.00	500.00	-500.00	0.0%
5207960 · Computer Software Expense	0.00	1,000.00	-1,000.00	0.0%
5228000 · Operating Transfers Out-NonBudg	9,105.16	8,300.00	805.16	109.7%
5228030 · Depreciation Expense	4,732.60	5,679.12	-946.52	83.3%
<b>Total Expense</b>	<b>329,700.77</b>	<b>357,838.12</b>	<b>-28,137.35</b>	<b>92.1%</b>
<b>Net Ordinary Income</b>	<b>-15,368.38</b>	<b>-98,218.12</b>	<b>82,849.74</b>	<b>15.6%</b>
<b>Net Income</b>	<b>-15,368.38</b>	<b>-98,218.12</b>	<b>82,849.74</b>	<b>15.6%</b>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
June 2024

	Jun 24	Jun 23	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	225.00	350.00	-125.00	-35.7%
4293551 · Certificate Renewals-Active	7,750.00	-4,900.00	12,650.00	258.2%
4293552 · Certificate Renewals-Inactive	3,850.00	-1,450.00	5,300.00	365.5%
4293553 · Certificate Renewals-Retired	400.00	-120.00	520.00	433.3%
4293554 · Initial Firm Permits	50.00	150.00	-100.00	-66.7%
4293555 · Firm Permit Renewals	2,650.00	-1,100.00	3,750.00	340.9%
4293557 · Initial Audit	30.00	150.00	-120.00	-80.0%
4293558 · Re-Exam Audit	180.00	150.00	30.00	20.0%
4293560 · Late Fees-Initial Certificate	0.00	100.00	-100.00	-100.0%
4293564 · Late Fees-Peer Review	800.00	900.00	-100.00	-11.1%
4293566 · Firm Permit Owners	15,835.00	-6,660.00	22,495.00	337.8%
4293567 · Peer Review Admin Fee	2,025.00	1,350.00	675.00	50.0%
4293568 · Firm Permit Name Change	25.00	25.00	0.00	0.0%
4293569 · Initial FAR	120.00	90.00	30.00	33.3%
4293570 · Initial REG	30.00	60.00	-30.00	-50.0%
4293571 · Initial BEC	0.00	120.00	-120.00	-100.0%
4293572 · Re-Exam FAR	180.00	150.00	30.00	20.0%
4293573 · Re-Exam REG	60.00	120.00	-60.00	-50.0%
4293574 · Re-Exam BEC	0.00	210.00	-210.00	-100.0%
4293578 · Re-Exam BAR	60.00	0.00	60.00	100.0%
4293580 · Re-Exam TCP	30.00	0.00	30.00	100.0%
4491000 · Interest and Dividend Revenue	0.30	-4,197.99	4,198.29	100.0%
4896021 · Legal Recovery Cost	0.00	100.00	-100.00	-100.0%
4920045 · Undistributed Earnings	0.00	15,770.15	-15,770.15	-100.0%
<b>Total Income</b>	<b>34,300.30</b>	<b>1,367.16</b>	<b>32,933.14</b>	<b>2,408.9%</b>
<b>Gross Profit</b>	<b>34,300.30</b>	<b>1,367.16</b>	<b>32,933.14</b>	<b>2,408.9%</b>
<b>Expense</b>				
5101000 · Annual/Sick Leave Compensation	0.00	6,350.46	-6,350.46	-100.0%
5101010 · F-T Emp Sal & Wages	3,195.87	5,767.45	-2,571.58	-44.6%
5101020 · P-T/Temp Emp Sal & Wages	2,541.02	4,401.64	-1,860.62	-42.3%
5101030 · Board & Comm Mbrs Fees	420.00	0.00	420.00	100.0%
5102010 · OASI-Employer's Share	425.62	467.84	-42.22	-9.0%
5102020 · Retirement-ER Share	303.90	538.03	-234.13	-43.5%
5102060 · Health /Life Ins.-ER Share	669.73	1,663.08	-993.35	-59.7%
5102080 · Worker's Compensation	10.32	24.41	-14.09	-57.7%
5102090 · Unemployment Insurance	1.49	1.33	0.16	12.0%
5203260 · OS-Air Commercial Carrier	1,079.20	0.00	1,079.20	100.0%
5203280 · OS-Other Public Carrier	46.11	0.00	46.11	100.0%
5203300 · OS-Lodging	1,294.32	0.00	1,294.32	100.0%
5203320 · OS-Incidentals to Travel	85.00	0.00	85.00	100.0%
5203350 · OS-Non Taxable Meals-Overnight	168.00	0.00	168.00	100.0%
5204010 · Subscriptions	649.00	0.00	649.00	100.0%
5204200 · Central Services	433.96	197.06	236.90	120.2%
5204220 · Equipment Service & Maintenance	4.82	3.87	0.95	24.6%
5204230 · Janitorial/Maintenance Services	171.03	159.84	11.19	7.0%
5204330 · Computer Software Lease	0.00	200.00	-200.00	-100.0%
5204460 · Equipment Rental	69.00	79.00	-10.00	-12.7%
5204521 · Revenue Bond Lease Payment	1,380.75	1,380.75	0.00	0.0%

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR MONTHLY COMPARISON**  
**June 2024**

	<u>Jun 24</u>	<u>Jun 23</u>	<u>\$ Change</u>	<u>% Change</u>
5204530 · Telecommunications Services	256.47	297.44	-40.97	-13.8%
5204560 · Water	25.35	25.35	0.00	0.0%
5204740 · Bank Fees and Charges	132.48	100.96	31.52	31.2%
5205020 · Office Supplies	96.97	140.60	-43.63	-31.0%
5205320 · Printing/Duplicating/Binding Co	180.29	29.20	151.09	517.4%
5228000 · Operating Transfers Out-NonBudg	1,441.38	1,106.84	334.54	30.2%
5228030 · Depreciation Expense	0.00	473.26	-473.26	-100.0%
<b>Total Expense</b>	<u>15,082.08</u>	<u>23,408.41</u>	<u>-8,326.33</u>	<u>-35.6%</u>
<b>Net Ordinary Income</b>	19,218.22	-22,041.25	41,259.47	187.2%
<b>Other Income/Expense</b>				
<b>Other Expense</b>				
5228090 · Security Lending Rebate Fees	0.00	-11.97	11.97	100.0%
<b>Total Other Expense</b>	<u>0.00</u>	<u>-11.97</u>	<u>11.97</u>	<u>100.0%</u>
<b>Net Other Income</b>	0.00	11.97	-11.97	-100.0%
<b>Net Income</b>	<u><u>19,218.22</u></u>	<u><u>-22,029.28</u></u>	<u><u>41,247.50</u></u>	<u><u>187.2%</u></u>

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
 July 2023 through June 2024

	Jul '23 - Jun 24	Jul '22 - Jun 23	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4293550 · Initial Individual Certificate	1,975.00	2,000.00	-25.00	-1.3%
4293551 · Certificate Renewals-Active	75,990.00	59,920.00	16,070.00	26.8%
4293552 · Certificate Renewals-Inactive	23,450.00	17,100.00	6,350.00	37.1%
4293553 · Certificate Renewals-Retired	2,390.00	1,640.00	750.00	45.7%
4293554 · Initial Firm Permits	800.00	750.00	50.00	6.7%
4293555 · Firm Permit Renewals	17,900.00	13,250.00	4,650.00	35.1%
4293557 · Initial Audit	240.00	720.00	-480.00	-66.7%
4293558 · Re-Exam Audit	2,130.00	1,560.00	570.00	36.5%
4293560 · Late Fees-Initial Certificate	50.00	350.00	-300.00	-85.7%
4293561 · Late Fees-Certificate Renewals	3,150.00	2,850.00	300.00	10.5%
4293563 · Late Fees-Firm Permit Renewals	400.00	400.00	0.00	0.0%
4293564 · Late Fees-Peer Review	2,100.00	1,750.00	350.00	20.0%
4293566 · Firm Permit Owners	154,035.00	116,055.00	37,980.00	32.7%
4293567 · Peer Review Admin Fee	4,575.00	5,025.00	-450.00	-9.0%
4293568 · Firm Permit Name Change	200.00	200.00	0.00	0.0%
4293569 · Initial FAR	600.00	840.00	-240.00	-28.6%
4293570 · Initial REG	150.00	420.00	-270.00	-64.3%
4293571 · Initial BEC	600.00	750.00	-150.00	-20.0%
4293572 · Re-Exam FAR	1,410.00	1,080.00	330.00	30.6%
4293573 · Re-Exam REG	1,620.00	1,350.00	270.00	20.0%
4293574 · Re-Exam BEC	1,230.00	1,410.00	-180.00	-12.8%
4293578 · Re-Exam BAR	150.00	0.00	150.00	100.0%
4293579 · Re-Exam ISC	90.00	0.00	90.00	100.0%
4293580 · Re-Exam TCP	210.00	0.00	210.00	100.0%
4491000 · Interest and Dividend Revenue	10,331.83	-82.83	10,414.66	12,573.5%
4896021 · Legal Recovery Cost	8,555.56	1,600.00	6,955.56	434.7%
4920045 · Undistributed Earnings	0.00	15,770.15	-15,770.15	-100.0%
<b>Total Income</b>	<b>314,332.39</b>	<b>246,707.32</b>	<b>67,625.07</b>	<b>27.4%</b>
<b>Gross Profit</b>	<b>314,332.39</b>	<b>246,707.32</b>	<b>67,625.07</b>	<b>27.4%</b>
<b>Expense</b>				
5101000 · Annual/Sick Leave Compensation	0.00	6,350.46	-6,350.46	-100.0%
5101010 · F-T Emp Sal & Wages	83,858.54	68,322.02	15,536.52	22.7%
5101020 · P-T/Temp Emp Sal & Wages	61,291.67	45,131.60	16,160.07	35.8%
5101030 · Board & Comm Mbrs Fees	5,580.00	4,500.00	1,080.00	24.0%
5102010 · OASI-Employer's Share	10,440.21	7,832.58	2,607.63	33.3%
5102020 · Retirement-ER Share	7,721.00	6,655.25	1,065.75	16.0%
5102060 · Health /Life Ins.-ER Share	22,497.12	22,333.74	163.38	0.7%
5102080 · Worker's Compensation	261.27	272.24	-10.97	-4.0%
5102090 · Unemployment Insurance	37.79	14.83	22.96	154.8%
5203010 · In State-Auto-State Owned	0.00	183.60	-183.60	-100.0%
5203020 · In State-Auto-Priv. Low Miles	160.72	119.37	41.35	34.6%
5203030 · In State-Auto-Priv. High Miles	925.14	528.36	396.78	75.1%
5203100 · In State-Lodging	233.53	225.00	8.53	3.8%
5203140 · InState-Tax Meals-Not Overnight	42.00	42.00	0.00	0.0%
5203150 · InState-Non Tax Meals-Overnight	153.32	194.00	-40.68	-21.0%
5203220 · OS-Auto Private Low Mileage	203.84	0.00	203.84	100.0%
5203230 · OS-Auto Private High Mileage	573.24	0.00	573.24	100.0%

**South Dakota Board of Accountancy**  
**PREVIOUS YEAR TO DATE MONTHLY COMPARISON**  
 July 2023 through June 2024

	Jul '23 - Jun 24	Jul '22 - Jun 23	\$ Change	% Change
5203260 · OS-Air Commercial Carrier	3,775.77	3,807.90	-32.13	-0.8%
5203280 · OS-Other Public Carrier	398.24	339.06	59.18	17.5%
5203300 · OS-Lodging	9,192.84	4,811.46	4,381.38	91.1%
5203320 · OS-Incidentals to Travel	554.00	224.00	330.00	147.3%
5203350 · OS-Non Taxable Meals-Overnight	1,014.00	556.00	458.00	82.4%
5204010 · Subscriptions	649.00	450.20	198.80	44.2%
5204020 · Dues and Membership Fees	3,200.00	3,460.00	-260.00	-7.5%
5204040 · Consultant Fees-Accounting	4,100.00	3,900.00	200.00	5.1%
5204050 · Consultant Fees - Computer	31,752.26	17,777.79	13,974.47	78.6%
5204160 · Workshop Registration Fees	7,330.00	8,295.00	-965.00	-11.6%
5204180 · Computer Services-State	9,193.15	5,279.70	3,913.45	74.1%
5204181 · Computer Development Serv-State	0.00	77.18	-77.18	-100.0%
5204200 · Central Services	10,452.90	7,934.27	2,518.63	31.7%
5204220 · Equipment Service & Maintenance	63.33	53.55	9.78	18.3%
5204230 · Janitorial/Maintenance Services	2,052.36	1,918.08	134.28	7.0%
5204330 · Computer Software Lease	825.38	568.89	256.49	45.1%
5204360 · Advertising-Newspapers	145.78	0.00	145.78	100.0%
5204460 · Equipment Rental	3,656.44	3,586.44	70.00	2.0%
5204521 · Revenue Bond Lease Payment	16,569.00	16,569.00	0.00	0.0%
5204530 · Telecommunications Services	2,547.59	3,122.09	-574.50	-18.4%
5204540 · Electricity	578.92	653.51	-74.59	-11.4%
5204560 · Water	152.10	146.10	6.00	4.1%
5204590 · Insurance Premiums/Surety Bonds	1,696.69	1,711.40	-14.71	-0.9%
5204740 · Bank Fees and Charges	5,936.95	5,551.84	385.11	6.9%
5204960 · Other Contractual Services	2,184.56	0.00	2,184.56	100.0%
5205020 · Office Supplies	529.94	772.30	-242.36	-31.4%
5205040 · Education & Instr. Supplies	488.55	452.55	36.00	8.0%
5205320 · Printing/Duplicating/Binding Co	344.94	344.21	0.73	0.2%
5205330 · Supplemental Publications	481.95	0.00	481.95	100.0%
5205350 · Postage	2,000.00	2,000.00	0.00	0.0%
5205700 · Retail Gasoline	0.00	39.75	-39.75	-100.0%
5207491 · Telephone Equipment	16.98	1,810.00	-1,793.02	-99.1%
5207900 · Computer Hardware	0.00	1,780.25	-1,780.25	-100.0%
5207960 · Computer Software Expense	0.00	549.00	-549.00	-100.0%
5228000 · Operating Transfers Out-NonBudg	9,105.16	6,165.51	2,939.65	47.7%
5228030 · Depreciation Expense	4,732.60	5,679.12	-946.52	-16.7%
<b>Total Expense</b>	<b>329,700.77</b>	<b>273,091.20</b>	<b>56,609.57</b>	<b>20.7%</b>
<b>Net Ordinary Income</b>	<b>-15,368.38</b>	<b>-26,383.88</b>	<b>11,015.50</b>	<b>41.8%</b>
<b>Other Income/Expense</b>				
<b>Other Expense</b>				
5228090 · Security Lending Rebate Fees	0.00	-11.97	11.97	100.0%
<b>Total Other Expense</b>	<b>0.00</b>	<b>-11.97</b>	<b>11.97</b>	<b>100.0%</b>
<b>Net Other Income</b>	<b>0.00</b>	<b>11.97</b>	<b>-11.97</b>	<b>-100.0%</b>
<b>Net Income</b>	<b>-15,368.38</b>	<b>-26,371.91</b>	<b>11,003.53</b>	<b>41.7%</b>



## CPE Audit Failure Guidelines for Consent Agreements Policy

6-11-24

Action on this item was tabled from the June 18 meeting. Pursuant to SDCL 1-27-1.18, the governing body shall delay taking any official action on the recommendations, findings, or reports until the next meeting of the governing body. Proposed changes are underlined and ~~strikethrough~~.

Proposed Consent Agreements will be made with these terms:

License is suspended for a period of 90 days from the effective date of the agreement which shall be held in abeyance pending compliance with the following requirements:

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

Proposed Fines for failure of CPE Audits:

Failed Level	Status	Fine Amount
1 criteria	Responsive to Requests	<del>\$250</del> <u>400</u>
2 criteria	Responsive to Requests	<del>\$300</del> <u>500</u>
3 criteria	Responsive to Requests	<del>\$350</del> <u>600</u>
4 criteria	Responsive to Requests	<del>\$400</del> <u>700</u>
5 criteria	Responsive to Requests	<del>\$450</del> <u>800</u>
6 criteria	Responsive to Requests	<del>\$500</del> <u>900</u>
Any category	Nonresponsive to Requests	The criteria fine is doubled <u>up</u> <u>to a max of \$1000</u>
Any category	Deception/Fraud	\$1000

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

If an individual does not want to enter into a consent agreement with the Board, then the procedures ~~for~~ with 36-1C complaint process up to a the notice of hearing will be ~~followed~~ utilized.

Notes: Responsive defined 20:75:05:16

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

Complaint procedures 36-1C

## **REPORT TO BOARD ON NASBA ANNUAL MEETING**

The Annual Meeting for NASBA will be held October 27-October 30, 2024. The location of the meeting will be in Orlando, FL

This is a request for a board motion to approve travel for Board Members and the Executive Director to attend the NASBA Annual meeting.

**NASBA Annual Meeting  
Orlando, Florida  
October 27-30, 2024  
Agenda**

**Sunday, October 27**

- |                  |                     |
|------------------|---------------------|
| 3:00 - 5:00 p.m. | Registration        |
| 3:30 - 5:30 p.m. | CPT Ethics Workshop |
| 6:00 - 8:00 p.m. | Welcome Reception   |

**Monday, October 28**

- |                         |  |
|-------------------------|--|
| 8:00 - 9:00 a.m.        | Breakfast (All Welcome)  |
| 9:00 - 9:20 a.m.        | Call to Order and Introductions<br>Stephanie Saunders, CPA<br>2023-2024 Chair, NASBA   |
| 9:20 - 9:30 a.m.        | Welcome to Orlando<br>Chair, Florida Board of Accountancy  |
| 9:30 - 10:15 a.m.       | The Future of the Profession<br>TBD  |
| 10:15 - 10:30 a.m.      | A Year in Review: Report from NASBA Chair<br>Stephanie Saunders, CPA<br>2023-2024 Chair, NASBA   |
| 10:30 - 10:45 a.m.      | BREAK  |
| 10:45 - 11:00 a.m.      | The Latest Developments from the AICPA: A Report from the AICPA Chair<br>Okorie Ramsey, CPA, CGMA  |
| 11:00 a.m. - 12:00 p.m. | The CPA Exam Under CPA Evolution: A Report on Progress<br>Colleen K. Conrad, CPA<br>Executive Vice President and COO, NASBA<br>Michael A. Decker<br>Vice President – CPA Examination and Pipeline – Public Accounting, AICPA |
| 12:00 - 1:30 p.m.       | Luncheon   |
| 1:30 – 2:30 p.m.        | The AI Revolution: Unlocking the Future of Tomorrow<br>Chuck Gallagher<br>Principal, Ethics Resource Group   |

- 2:30 – 3:00 p.m.                      Furthering Pathways Discussions  
Daniel J. Dustin, CPA
- 3:00 - 3:30 p.m.                      The UAA – Peer Review Submissions to Boards of Accountancy  
Nicola Neilon, CPA  
Director-at-Large, NASBA
- 3:30 – 3:45 p.m.                      Relying on the CPA Exam: A Report from the Examination Review Board  
Faye D. Miller, CPA  
Chair, CPA Examination Review Board
- 3:45 – 4:00 p.m.                      Growth in Ethics and Diversity: A Report from the NASBA Center for the  
Public Trust  
Sedrik Newburn  
President, NASBA CPT
- 4:00 - 5:00 p.m.                      CPT Fundraiser Event

## **Tuesday, October 29**

- 8:00 - 9:50 a.m.                      Regional Breakfast Meetings
- 8:00 - 9:50 a.m.                      Breakfast for Other Attendees
- 10:00 - 11:15 a.m.                      Annual Business Meeting
- 11:15 a.m. - 12:00 p.m.              The State of NASBA  
Daniel J. Dustin, CPA  
President and CEO, NASBA
- 12:00 - 12:15 p.m.                      First Meeting of 2024-25 NASBA Board of Directors
- 12:15 - 1:30 p.m.                      Luncheon
- 1:30 - 2:30 p.m.                      Inaugural Presentations  
Acknowledgements & Gratitude – Stephanie Saunders, CPA, 2023-24 Chair  
Inaugural Address – Maria Caldwell, CPA, 2024-25 Chair
- 2:30 – 3:00 p.m.                      Diversifying the Accounting Talent Pipeline  
Liz Barentzen, ESQ  
VP, Operations and Talent Initiatives, Center for Audit Quality
- 3:00 - 3:30 p.m.                      Addressing the CPA Talent Shortage  
Susan Coffey, CEO Public Accounting  
AICPA

- 3:30 - 4:00 p.m. Legislative Trends Affecting Boards of Accountancy: What You Need to Know  
John W. Johnson  
Vice President, Legislative and Governmental Affairs, NASBA
- 4:00 p.m. RECESS
- 6:30 p.m. CELEBRATION

## **Wednesday, October 30**

- 8:00 - 9:15 a.m. State Board Presidents' and Chairs' Breakfast Meeting  
Moderator: Maria Caldwell, CPA  
2024-2025 Chair, NASBA
- 8:00 - 9:15 a.m. Executive Directors' and State Boards' Staffs' Breakfast Meeting  
Moderator: D. Boyd Busby, CPA, CGMA  
2023-2024 Executive Directors Committee Chair, NASBA
- 8:00 - 9:15 a.m. Breakfast (All Welcome)
- 9:15 - 9:45 a.m. The Latest Developments from the SEC  
Ryan Wolfe, CPA  
Chief Accountant – Division of Enforcement, US Securities & Exchange Commission
- 9:45 - 10:15 a.m. NASBA Education Research Grant Recipients: A Report on Their Findings  
Ryan Cahalan, JD, LL.M., Central Washington University  
Tristan B. Johnson, CPA, University of South Alabama
- 10:15 – 11:00 a.m. The Latest on NASBA Diversity Initiatives  
Sedrik Newburn  
Chief Ethics & Diversity Officer, NASBA
- 11:00 - 11:10 a.m. Questions for NASBA Leadership  
Maria Caldwell, CPA, Daniel J. Dustin, CPA
- 11:10 - 11:20 a.m. Closing Remarks on 2023 Annual Meeting - Invitation to 2025 Annual  
Maria Caldwell, CPA  
2024-2025 Chair, NASBA
- 11:20 - 11:35 a.m. Final Recap
- 11:35 a.m. ADJOURN

FY26 BUDGET WORKSHEET							
			State Act	QB Act	FY25	Expand-	FY26
Income	Description	FY23	FY24	FY24	Budget	Reduce	Budget
4293550	Initial Individual Certificate	1,950.00	2,050.00	1,975.00	2,500.00	900.00	3,400.00
4293551	Cert Renew-Active	62,220.00	66,590.00	75,990.00	62,500.00	48850.00	111,350.00
4293552	Cert Renew-Inactive	17,700.00	19,800.00	23,450.00	18,500.00	12270.00	30,770.00
4293553	Cert Renew-Retired	1,770.00	1,970.00	2,390.00	1,900.00	2300.00	4,200.00
4293554	Initial Firm Permit	750.00	800.00	800.00	700.00	575.00	1,275.00
4293555	Firm Permit Renew	13,650.00	15,500.00	17,900.00	14,250.00	11250.00	25,500.00
4293557	Initial Audit	6,667.75	2,261.75	240.00	700.00	0.00	700.00
4293558	Re-exam Audit	14,360.10	20,289.15	2,130.00	1,800.00	0.00	1,800.00
4293560	Late Fee-Initial Certificate	250.00	150.00	50.00	0.00	0.00	0.00
4293561	Late Fees-Cert Renew	2,850.00	3,150.00	3,150.00	3,000.00	0.00	3,000.00
4293562	Late Fees-Firm Permits	0.00	0.00	0.00	0.00	0.00	0.00
4293563	Late Fees-Firm Perm Renewals	400.00	400.00	400.00	500.00	0.00	500.00
4293564	Late Fees- Peer Review	1,600.00	2,250.00	2,100.00	1,300.00	0.00	1,300.00
4293566	Firm Permit Owners	116,335.00	132,320.00	154,035.00	127,000.00	76500.00	203,500.00
4293567	Peer Review Admin Fee	4,800.00	4,800.00	4,575.00	5,500.00	0.00	5,500.00
4293568	Firm Permit Name Change	200.00	225.00	200.00	100.00	0.00	100.00
4293569	Initial FAR	7,960.50	5,947.50	600.00	960.00	0.00	960.00
4293570	Initial REG	3,754.10	1,424.00	150.00	540.00	0.00	540.00
4293571	Initial BEC	6,691.75	5,596.10	600.00	0.00	0.00	0.00
4293572	Re-Exam FAR	9,521.40	13,888.60	1,410.00	1,260.00	0.00	1,260.00
4293573	Re-exam REG	11,762.60	15,580.75	1,620.00	1,650.00	0.00	1,650.00
4293574	Re-exam BEC	12,835.20	11,493.65	1,230.00	0.00	0.00	0.00
4293575	Initial BAR	-	-	-	150.00	0.00	150.00
4293576	Initial ISC	-	-	-	150.00	0.00	150.00
4293577	Initial TCP	-	-	-	150.00	0.00	150.00
4293578	Re-Exam BAR	-	1,424.00	150.00	210.00	0.00	210.00
4293579	Re-Exam ISC	-	854.40	90.00	210.00	0.00	210.00
4293580	Re-Exam TCP	-	1,993.60	210.00	210.00	0.00	210.00
4491000	Interest and Dividend Revenue	-	-	10,331.83	0.00	0.00	0.00
4896021	Legal Recovery Cost	1,600.00	8,555.56	8,555.56	1,000.00	0.00	1,000.00
4920045	NonOperating Revenues	4,114.11	10,328.44	0.00	6,000.00	0.00	6,000.00
4950	Refund Prior Years Expenses	-	-	0.00	0.00	0.00	0.00
	<b>Total Income</b>	<b>303,742.51</b>	<b>349,642.50</b>	<b>314,332.39</b>	<b>252,740.00</b>	<b>152,645.00</b>	<b>405,385.00</b>
			State Act	QB Act	FY25	Expand-	FY26
Expenses -Sal & Benefits		FY23	FY24	FY24	Budget	Reduce	Budget
5101010	F-T Emp Sal & Wages	68,322.02	83,858.54	83,858.54	102,494.00	0.00	102,494.00
5101020	P-T Emp Sal & Wages	45,131.60	61,291.67	61,291.67	57,866.00	0.00	57,866.00
5101030	Board & Comm. Members	4,500.00	5,580.00	5,580.00	11,757.00	0.00	11,757.00
5102010	OASI - Employers	8,072.52	10,440.21	10,440.21	12,268.00	0.00	12,268.00
5102020	Retirement - Employers	6,655.25	7,721.00	7,721.00	9,622.00	0.00	9,622.00
5102060	Health Insurance	22,333.74	22,497.12	22,497.12	31,997.00	0.00	31,997.00
5102080	Workers Comp	272.24	261.27	261.27	289.00	0.00	289.00
5102090	Unemployment	14.83	37.79	37.79	160.00	0.00	160.00
	<b>Sal &amp; Benefits Totals</b>	<b>155,302.20</b>	<b>191,687.60</b>	<b>191,687.60</b>	<b>226,453.00</b>	<b>0.00</b>	<b>226,453.00</b>
			State Act	QB Act	FY25	Expand-	FY26
Expenses - Operational		FY23	FY24	FY24	Budget	Reduce	Budget
5203010	Auto - State Vehicle	183.60	0.00	0.00	250.00	0.00	250.00
5203020	Auto Private In State -employees	119.37	160.72	160.72	400.00	0.00	400.00
5203030	Auto Private In State- Board	528.36	1,423.92	925.14	900.00	500.00	1,400.00
5203100	Lodging In State	225.00	233.53	233.53	600.00	0.00	600.00
5203120	Incidentals to Travel- In State	136.82	-	0.00	100.00	0.00	100.00
5203140	Meals Not Overnight - In State	42.00	42.00	42.00	100.00	0.00	100.00
5203150	Meals Overnight - In State	194.00	153.32	153.32	400.00	0.00	400.00

5203220	Auto Private Out of State - Board/LO'	0.00	203.84	203.84	0.00	0.00	0.00
5203230	Auto Private Out of State - Board	392.28	74.46	573.24	200.00	0.00	200.00
5203260	Air Travel-Out of State	3,807.90	3,711.68	3,775.77	7,000.00	2000.00	9,000.00
5203280	Other Public Transp Out of State	202.24	462.33	398.24	700.00	0.00	700.00
5203300	Lodging Out of State	5,610.87	9,192.84	9,192.84	9,000.00	3500.00	12,500.00
5203320	Incidentals to Travel- Out of State	224.00	554.00	554.00	500.00	250.00	750.00
5203350	Meals Overnight - Out of State	630.00	1,014.00	1,014.00	1,000.00	350.00	1,350.00
5204010	Subscriptions	0.00	649.00	649.00	1,000.00	0.00	1,000.00
5204020	Dues & Membership Fees	3,460.00	3,200.00	3,200.00	3,900.00	0.00	3,900.00
5204030	Legal Document Fees	0.00	0.00	0.00	300.00	0.00	300.00
5204040	Consultant Fees - Audit	3,900.00	4,100.00	4,100.00	4,300.00	500.00	4,800.00
5204050	Computer Consultant - Database	17,777.79	31,752.26	31,752.26	30,000.00	2000.00	32,000.00
5204080	Consultant Fees - Legal	0.00	0.00	0.00	0.00	0.00	0.00
5204160	Workshop Registration Fees	6,210.00	7,330.00	7,330.00	9,500.00	0.00	9,500.00
5204180	Computer Services - State	6,861.25	9,193.15	9,193.15	7,000.00	4000.00	11,000.00
5204181	Computer Dev. State	244.38	0.00	0.00	2,000.00	0.00	2,000.00
5204200	Central Services	7,470.69	10,452.90	10,452.90	9,000.00	4000.00	13,000.00
5204220	Equipment Service & Maint	1,005.81	1,030.33	63.33	300.00	(300.00)	0.00
5204230	Janitorial	1,918.08	2,052.36	2,052.36	2,100.00	(1500.00)	600.00
5204330	Computer Software Lease	1,026.88	825.38	825.38	500.00	500.00	1,000.00
5204340	Computer-Tech Support	0.00	0.00	0.00	0.00	0.00	0.00
5204360	Advertising-Newspaper	0.00	145.78	145.78	500.00	0.00	500.00
5204440	Newsletter Publishing	0.00	0.00	0.00	0.00	0.00	0.00
5204460	Equipment Rental	0.00	672.36	3,656.44	4,000.00	2000.00	6,000.00
5204480	Microfilm Processing	0.00	0.00	0.00	0.00	0.00	0.00
5204490	Rents-Private	0.00	0.00	0.00	0.00	0.00	0.00
5204510	Rents-Other	0.00	0.00	0.00	500.00	0.00	500.00
5204521	Revenue Bond Lease Pymts (Rent)	19,286.44	18,586.08	16,569.00	36,150.00	7500.00	43,650.00
5204530	Telecommunications	2,572.37	2,547.59	2,547.59	5,500.00	0.00	5,500.00
5204540	Electricity	693.76	578.92	578.92	900.00	(500.00)	400.00
5204560	Water	0.00	0.00	152.10	240.00	0.00	240.00
5204590	Insurance Premiums	1,892.00	1,696.69	1,696.69	2,000.00	500.00	2,500.00
5204740	Bank Svc Chrg (Credit Card Fees)	5,551.84	5,936.95	5,936.95	7,650.00	1000.00	8,650.00
5204960	Other Contractual - NASBA	59,767.06	70,897.08	2,184.56	0.00	0.00	0.00
5205020	Office Supplies	822.53	682.04	529.94	3,000.00	0.00	3,000.00
5205028	Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00
5205040	Education & Instruction Supplies	452.55	488.55	488.55	300.00	200.00	500.00
5205310	Printing/Copying State	0.00	0.00	0.00	100.00	0.00	100.00
5205320	Printing Commercial	443.04	344.94	344.94	500.00	500.00	1,000.00
5205330	Supplement Publications & Ref	450.20	481.95	481.95	700.00	0.00	700.00
5205340	Microfilm Supplies & Material	0.00	0.00	0.00	0.00	0.00	0.00
5205350	Postage	2,000.00	2,000.00	2,000.00	2,000.00	0.00	2,000.00
5205540	Finished Signs & Decals	29.89	0.00	0.00	100.00	400.00	500.00
5205700	Gasoline - Retail	39.75	0.00	0.00	100.00	0.00	100.00
5207430	Office Machines	0.00	0.00	0.00	100.00	0.00	100.00
5207451	Office Furniture & Fixtures	0.00	0.00	0.00	500.00	3000.00	3,500.00
5207490	Telephone Equipment	1,810.00	16.98	16.98	0.00	0.00	0.00
5207900	Computer	1,780.25	0.00	0.00	6,800.00	0.00	6,800.00
5207901	Computer Hardware	0.00	0.00	0.00	0.00	0.00	0.00
5207905	Computer Systems	0.00	0.00	0.00	0.00	0.00	0.00
5207950	Computer Hardware	0.00	0.00	0.00	1,000.00	0.00	1,000.00
5207955	Computer Hardware	0.00	0.00	0.00	500.00	0.00	500.00
5207960	Computer Software	0.00	0.00	0.00	1,000.00	0.00	1,000.00
5207961	Computer Software	0.00	0.00	0.00	0.00	0.00	0.00
5228000	DOL Overhead Allocated Fees	6,165.51	9,105.16	9,105.16	8,300.00	2700.00	11,000.00
5228030	Depreciation	0.00	0.00	4,732.60	0.00	0.00	0.00
	<b>Object Totals</b>	<b>165,928.51</b>	<b>201,993.09</b>	<b>138,013.17</b>	<b>173,490.00</b>	<b>33,100.00</b>	<b>206,590.00</b>
	<b>Total Expenses</b>	<b>321,230.71</b>	<b>393,680.69</b>	<b>329,700.77</b>	<b>399,943.00</b>	<b>33,100.00</b>	<b>433,043.00</b>
	<b>Net Income (Loss)</b>	<b>-17,488.20</b>	<b>-44,038.19</b>	<b>-15,368.38</b>	<b>-147,203.00</b>	<b>119,545.00</b>	<b>-27,658.00</b>



## EXECUTIVE DIRECTOR'S REPORT

Nicole Kasin

### **Renewals for individuals and firms**

Paper renewal forms were available on our website on June 14, 2024. Online renewals opened June 17, 2024. As a courtesy, a reminder email was sent on July 29, 2024, to individuals and firms that had not renewed their license or firm permit. Here is the status of renewals through August 1, 2024:

Entity	Renewed thru 7/31/2024	Pending renewals thru 7/31/2025	Completed renewals thru 7/31/2025
Firms	293	23	264
Individuals – Active	1290	123	1145
Individuals – Inactive	358	30	331
Individuals – Retired	180	36	162

### **CPE Extensions**

There were 40 administrative extensions granted for the CPE reporting period ending June 30, 2024 through. The extensions are valid through 9-30-24.

### **Newsletter**

On July 26, an electronic newsletter was emailed to candidates, licenses, firms, state boards, board members, SD CPA Society, and other interested parties. There were 2195 emails sent with a 98% delivery rate and 2% of the emails bounced. The open rate was 45%.

### **NASBA Issues/Topics**

1. Effective August 1, Dan Dustin is the President and CEO of NASBA
2. Email 7-19-24 announcing Kent A. Absec, Brenner Allen, Esq., William A. Emmer, CPA, and Sedrik Newbern to join the leadership team at NASBA, effective August 1, 2024.

### **2025 Statute Changes**

1. Fee change proposal –
  - a. Increased operational costs
  - b. Increased salaries
  - c. Inflation
  - d. Last change in individual license/renewal 2002 (this was a decrease)
  - e. Last change in firm license/renewal 2013 (this maintained or decreased)
2. Not to exceed amounts to be increased:
  - a. SDCL 36-20B-12; 36-20B-13; 36-20B-17; 36-20B-28; 36-20B-37; 36-20B-40

### **State Proposals for Pipeline**

#### **ARKANSAS**

Proposing a rule change to allow for an additional pathway to licensure. The additional pathway will consist of a Bachelor's degree including 30 upper level accounting hours, 30 business hours along with 2 years of notarized experience from the applicant's direct supervisor and a CPA. Additional language changes will be made to substantial equivalency and experience requirements. This process can take anywhere from 9 – 15 months

## **CALIFORNIA**

CA Board Meeting- July 25<sup>th</sup> CBA acted to direct staff to prepare legislative language to move to automatic mobility (recognizing CA has several guardrails to assist in managing risks and to examine if any modifications or additions should be added). For the second action item, the CBA acted to direct staff to prepare legislative language to modify educational requirements consistent with the staff developed proposal. Language will be brought to the Board in September.

<b>Pathway</b>	<b>Examination</b>	<b>Experience<sup>6</sup></b>	<b>Education</b>
1.	CPA Exam	2 years	Baccalaureate (or higher degree) with a concentration of accounting-related courses ( <b>Attachment 1</b> ): <ul style="list-style-type: none"><li>• Accounting degree, or</li><li>• Non-accounting degree plus accounting-related courses</li></ul>
2.	CPA Exam	1 year	Master of Accounting, Taxation, or Laws in Taxation

## **MINNESOTA**

**MN HF 1749** – This bill specifies that a certified public accountant (CPA) must have completed a recognized educational program of 150 semester hours, or at least 120 semester hours with two years of experience or completed 120 semester hours with one year of experience and 120 hours of professional education, accredited by the National Association of State Boards of Accountancy or board-defined provider.

- The companion bill (SF 1660) was amended earlier this year to remove the pathway that included the 120 hours of CPE. This bill did not pass and will be re-introduced in 2025.

## **OREGON**

Oregon Board is proposing changes that include removing 150 semester hours and other specificity from statute and placing the language within regulations. This also includes modifying substantial equivalency definitions. Concepts being considered would be 150+1 pathway, 120+2 pathway and some other concepts being considered by NASBA and/or AICPA.

## **SOUTH CAROLINA**

**SC S 1049** – This bill removes the 150 hours of education from statute and places the responsibility to be determined by the Board of Accountancy within regulations. Furthermore, allows the board to recognize and accept up to thirty hours of education credit from non-accredited source(s) – with parameters set forth on what the board can accept within those 30 hours.

## **WASHINGTON**

**WA HB 1920** – This bill removes the definition of substantial equivalency from statute and places the responsibility to be determined by the Board of Accountancy within rules – **Enacted March 7, 2024.**

## **NATIONAL PIPELINE PROPOSALS**

### **AICPA – National Pipeline Advisory Group (NPAG)**

NPAG recently released a pipeline report : <https://www.accountingpipeline.org/draft-report/>

On Page 47 of the full report the AICPA has publicly acknowledged that the 150-hour requirement is a barrier with the following language:

## Licensing: A changing landscape

NPAG's strategy development also considered changes affecting licensing outside the accounting profession that are in various stages of being considered, piloted, and/or enacted.

Most professional licenses have an education component and education is seeing its share of change. **In higher education, increased discussion of, and in some cases legislation on, 90-credit hour bachelor's degrees (not specific to accounting) caused NPAG to carefully consider the risks of embedding, or "hard coding," the number of hours of education into its recommendations (i.e., 150 or 120 hours), where specifying hours may require more change down the road.**

NPAG suggests that requiring a specific number of hours of education measures an input, versus an output that would better point to skill, ability, or quality, like competencies, deliverables, or results. As such, **NPAG recommends referring to the current minimum level of required education as a bachelor's degree**, versus a number of hours, to allow flexibility as higher education experiments with changes in the hours themselves.

There is also an ongoing anti-licensing or license reform movement in the U.S. that seeks to modify or change license laws based on concerns that licensing may make it harder for people to find jobs, cause a scarcity of talent, and seem arbitrary or overly complex. While most of those opposed to licensing are concerned about its impact to jobs in the trades (i.e. those not generally requiring college education), some reformists don't distinguish between these trade licenses and professional licenses like those for engineers or CPAs.

NPAG understood that other professions were also grappling with pipeline and workforce issues and met with the head of the regulatory body for architects to better understand how another profession is tackling the issue of a pipeline. In addition to the architecture licensing model, the group studied the legal profession with a summary of their findings below.

### **NASBA – Professional Licensure Task Force (PLTF)**

#### **Working Group – Structured Professional Program (SPP)**

NASBA sent a quick poll to Boards of Accountancy asking if they would like NASBA to continue researching different models to address the pipeline. As you may recall this was a YES/NO question. The NV Board as many others indicated by answering YES did not give a stamp of approval of whatever concepts would be developed. At the Executive Director Conference the Structured Professional Program (SPP) initiative was presented. The following screenshots contain a high level concept. This will be discussed at the regional conference as well.

- Individual chooses from among 26 modules and 317 learning objectives in Tax Practice
- Individual completes self assessment
- CPA supervisor signs off on self assessment
- Individual works in tax area and periodically completes assessments, reviewed and signed-off by CPA supervisor
- BOAs have ability to verify completion of SPP program

The SPP is designed so that the individual obtains the equivalent 30-semester hours of experiential learning over a 2-year period. If an individual is short 10-semester hours to meet the 150-semester hour requirement, the individual could choose to take additional coursework from a college or university, obtain those hours through ELE, or participate in the 2-year SPP.

The intent of the SPP is for the CPA supervisor to assess an individual's competencies in accounting and soft skills. Modules will include competencies based on soft skills.

Participation in the program would not be limited by firm or business size. The only limitation would be that the individual has applied for the CPA Exam and has met the jurisdiction's education requirements to sit for the CPA Exam and has a CPA supervisor who will periodically assess competencies during the program.

The SPP would not be limited to public accounting firms and would include business & industry, including employment in government provided the individual is performing work that meets the requirements of the program. Participation is based on completing a jurisdiction's minimum education requirements for sitting for the CPA Exam and having a CPA supervisor to perform periodic assessments while participating in the program.

- Under the current Model, NASBA would incur the cost of creating and maintaining the automated tracking system as part of its mission spending. As defined in this model, there would be no cost to the individual or the employer.

**Not as currently designed. The SPP is a two-year program. An individual with more than 120-semester hours of education could participate in SPP for two years. As an alternative, Individuals with between 120 semester hours and 150 semester hours of credit could choose another pathway such as ELE to meet the 150-hour education requirement.**

## NASBA & AICPA – Experience, Learn & Earn Program (ELE)

This program allows time spent working for a firm

### Experience, Learn and Earn (ELE) pilot

The AICPA and NASBA launched an integrated education and experience program for students who need or want a path to the 150 credit hours of education required for CPA licensure, that allows them to earn up to 30 educational credit hours while they are in a paid accounting position. The ELE combines meaningful online academic coursework integrated with work experience.

The first cohort of student associates began courses in January 2024. All student associates in the pilot program will take online, asynchronous courses from our pilot partner Tulane University.

Participating employers will give student associates time to study and learn, allow them to apply what they learn during their client engagements, and provide mentoring on a regular basis. As the program is expanded, we expect to increase the learning offerings to address, more comprehensively, both employer and employee needs. If a student associate needs the full 30 credit hours, the total tuition cost will be under \$5,000, and less if fewer credits are needed.

AICPA-NASBA Experience, Learn and Earn Program



### Board Discussion

- Any New Business/topics?

## DISCUSSION WITH SD CPA SOCIETY

### Discussion Points:

1. CPA Exam – CPA Evolution
  - a. 1Q24 data

CPA Evolution Exam	National Pass Rate	South Dakota Pass Rate
AUD	44.63%	68.69%
FAR	41.92%	78.43%
REG	63.42%	70.63%
BAR	42.94%	**
ISC	50.93%	n/a
TCP	82.36%	**

\*\* SD didn't have 3 or more candidates in this section to post a percentage rate. There were 32 candidates that sat for 33 parts.

- b. 2Q24 data 50 candidates sat for 57 sections
2. 2025 Statute Changes
  1. Fee change proposal –
    - a. Increased operational costs
    - b. Increased salaries
    - c. Inflation
    - d. Last change in individual license/renewal 2002 (this was a decrease)
    - e. Last change in firm license/renewal 2013 (this maintained or decreased)
  2. Not to exceed amounts to be increased:
    - a. SDCL 36-20B-12; 36-20B-13; 36-20B-17; 36-20B-28; 36-20B-37; 36-20B-40
3. 120 v. 150 sitting for exam and licensure discussion
  - a. Currently eligible to sit for the exam up to 100 days prior to completing requirements
  - b. 150 semester hours required for initial licensure
  - c. Consider language like CA, MN, AR, OR: bachelors degree with experience; masters degree with experience
  - d. NASBA SPP
  - e. AICPA - NPAG
4. Society Updates on Initiatives
  - a. Pipeline
  - b. STEM Initiatives
  - c. College outreach/scholarships
  - d. Other topics
5. AICPA SQMS Standards
  - a. Firms opinions?
  - b. CPE on this subject?
6. Open discussion for other topics