



**SOUTH DAKOTA
BOARD OF ACCOUNTANCY**

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**South Dakota Board of Accountancy
Minutes of Meeting**

Western Dakota Technical Institute
Mickelson Building, Conference Room A
Rapid City, South Dakota
October 6, 2006

The Board of Accountancy met on Friday, October 6, 2006 in Conference Room A of the Mickelson Building at Western Dakota Technical Institute, 800 Mickelson Drive, Rapid City, South Dakota. Chair John Mitchell called the meeting to order at 8:00 a.m. Other Board members present were Marty Guindon, John Graham, John Linn, and John Peterson Also present were Legal Counsel Sherri Sundem Wald, Executive Director Nicole Olson, Secretary Tricia Nussbaum, and Jean Smith from the SD CPA Society.

John Mitchell asked if there were any additions to the agenda. The following items were added to the agenda:

Addition to Certificates and Firm Permits
Additions to Investigative Issues/Actions
Additions to Lapsed License Issues
Additions to NASBA Information
Additions to Peer Review

The additions to the agenda were noted.

A motion was made and seconded to approve the August 3, 2006 board meeting minutes as amended. The motion unanimously carried.

A motion was made and seconded to approve the issuance of firm permits and certificates through October 4, 2006. The motion unanimously carried.

A motion was made and seconded to approve the financial statements through August 31, 2006. The motion unanimously carried.

The Board discussed the computer and back-up server situation at the board office. A report was given by Marty Guindon regarding the Bureau of Information and Telecommunication's (BIT) recommendations for creating state accounts for Board staff members. A motion was made and seconded to have a quarterly back-up of the Board's server sent to Marty Guindon at the Department of Legislative Audit. The motion unanimously carried.

A motion was made and seconded to approve the non-state account option recommended by BIT for \$21 per computer per month to access the state's network via virtual access service as

approved by Todd Kolden, Administrator for the Department of Labor. The motion unanimously carried.

A motion was made and seconded to accept the \$50 from a licensee to become currently licensed, but to have a historical record for the years past in which the licensee was not in good standing because of non compliance. The motion unanimously carried.

A motion was made and seconded to approve that an order will be issued to revoke the following certificates for failure to renew: Marvin R. Aho, Michael Bell, James F. Case, Jun Goto, Bruce E. Hanson, Chad D. Hatch, Stephen C. Jones, Hee Young Jung, Bridget C. Montour, Shirley M. Quaintaince, James E. Stavig, Sundaresan M. Subramanian, Timothy J. Sullivan, James Thompson, and Scott Van Den Hemel. The motion unanimously carried.

A motion was made and seconded to begin the Public Rules Hearing. The motion unanimously carried.

Chairman Mitchell gave an overview of rule 20:75:02:11-Applicant of another jurisdiction—Fee; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:02:14-Examination—Grades; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:02:15-Review of examination papers; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:02:16-Procedure for questions about examination content; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:02:19-Transitional credit; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:02:20-Rescore request and fees; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:02:21-Candidate score appeal and fees; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:03:03-Application for renewal of certificates—Fees; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:03:15-Substantial equivalency and reciprocity—Fees; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:05:01-Independence; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:05:05-Auditing, accounting, and review standards; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:05:06-Accounting principles; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:05:07-Professional standards and conduct; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:05:08-Interpretations; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:05:10-Client records; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:05:17-Records retention; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:07:01-Definitions; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:07:02-Requirement for review—Fee—Areas to be reviewed; then opened the floor to public testimony. There was no public testimony on this rule.

Chairman Mitchell gave an overview of rule 20:75:07:08-Conduct of review—Location; then opened the floor to public testimony. There was no public testimony on this rule.

A motion was made and seconded to close the public hearing. The motion unanimously carried.

A motion was made and seconded to approve the recommended 5% pay increase after 6 months to the Executive Director. The motion unanimously carried.

A motion was made and seconded to enter into executive session for the purpose of discussing peer reviews. The motion unanimously carried.

A motion was made and seconded to come out of executive session. The motion unanimously carried.

A motion was made and seconded to accept the peer reviews presented to the board in executive session. The motion unanimously carried.

The board completed and discussed NASBA's (National Association of State Board's of Accountancy) Education committee State Board Questionnaire.

The board discussed the Uniform Accountancy Act (UAA) Exposure Draft of revisions to Rules 5-1 and 5-2 issued by NASBA (National Association of State Boards of Accountancy).

Future meeting dates were discussed and set as follows:

November 13, 2006 by Conference Call at 10:00 A.M.
January 8, 2007 by Conference Call at 10:00 A.M.
March 26, 2007 by Conference Call at 10:00 A.M.
April 30, 2007 in Pierre, Location TBD at 8:30 A.M.

All business having come before the board was concluded and the meeting was adjourned by the chairman of the board at 2:00 P.M.

John M. Mitchell, CPA,
Chair

Attest: _____
Nicole Olson
Executive Director

David G. Olson, CPA
Secretary/Treasurer