



National Association of State Boards of Accountancy

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January 2, 2014

Honorable Steve Bullock, Governor
Office of the Governor
PO Box 200801
Helena, MT 59620-0801

Honorable Pam Bucy, Commissioner
Department of Labor and Industry
PO Box 1728
Helena, MT 59624-1728

Dear Governor Bullock and Commissioner Bucy:

We would like to address recent commentary related to the National Association of State Boards of Accountancy (NASBA) 2013 Annual Meeting held in Maui, Hawaii, during October 2013. NASBA's Annual Meeting provided a significant opportunity for representatives of its member Boards of Accountancy to hear first-hand updates from key national regulators on important issues facing the regulation of the accounting profession and timely reports on current enhancements to the licensure and regulation of the accounting profession. The meeting also provided Boards with a national forum to share matters of mutual concern and develop policies related to the regulation of the accounting profession.

The 2013 Annual Meeting contained an extensive array of presentations related to the licensure and regulation of the accounting profession. Mr. Russell G. Golden, Chairman of the Financial Accounting Standards Board (FASB) provided the keynote address on Monday, October 28. Also on Monday, meeting participants heard a presentation from the Public Company Accounting Oversight Board (PCAOB) member Jeanette M. Franzel and learned about the future plans of the American Institute of Certified Public Accountants (AICPA) from Chair William E. Balhoff. That afternoon, a panel discussion of "Accounting Standard Setters" was held. Panel members included Billy M. Atkinson, Chair of the Private Company Council and Chuck E. Landes, Vice President of the AICPA.

The following day, meeting attendees had an opportunity to participate in the annual business meeting of NASBA and hear the inaugural address of NASBA Chair Carlos E. Johnson. In addition, there was also a presentation by Raymond N. Johnson, Chair of NASBA's Ethics Committee, on CPAs defending themselves during Board disciplinary actions.

The final day of meetings began with a breakfast meeting of State Board Presidents and Chairs where attendees had an opportunity to listen to updates from Boards of Accountancy throughout the country. Other key updates on the agenda included reports from NASBA's Standard Setting Study Group, State Society Relations Group and the Board Effectiveness and Legislative Support Committee. There were also presentations on considered changes to the Uniform Accountancy Act and an update on activities concerning the Uniform CPA Examination.

These discussions provided meeting attendees with updates on current activities from federal accounting regulators, professional accounting standard setting bodies and the national membership association. Boards of Accountancy are responsible for protecting the public and enhancing the integrity of the profession. Interactions with federal and state regulatory bodies in a forum designed to learn about contemporary regulatory issues and share common experiences related to the regulation of the accounting profession are not only critical to Boards achieving their public protection mandate, but to also build strong relationships with others throughout the country to collaborate in order to achieve that goal.

Due to the great number of attendees at our Annual Meeting, NASBA must schedule its conferences years in advance. The 2013 annual meeting was scheduled five years ago. Recognizing that some Boards of Accountancy might be impacted by the optics of attending NASBA's Annual Meeting in Hawaii, NASBA implemented a program to assist Boards in off-setting costs associated with attending the conference. The program included significant discounts to conference registration fees and provided scholarships to Boards in order to offset travel-related costs. Also, we recognize the importance of "optics" related to locations that may be considered extravagant and NASBA is exercising greater diligence in determining future meeting locations.

We understand that recent media reports in Montana indicated that the state reimbursed two individuals \$5,709 to attend the conference, however, that figure does not include the benefit of two NASBA scholarships provided to representatives from Montana to attend the Annual Meeting. Had those scholarships been taken into account, the average cost per person for airfare, hotel and food to attend the three day conference was less than \$1,430 per person.

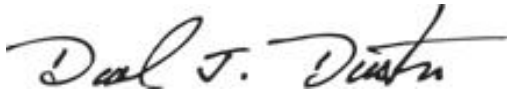
We appreciate and understand the concerns expressed about conference attendance, however, we firmly believe that there are significant benefits gained by attending regularly scheduled national updates and training.

If you have any questions, please do not hesitate to contact Thomas Kenny, Director of Communications, at 615-880-4237 or tkenny@nasba.org.

Sincerely,

A handwritten signature in black ink that reads "Ken L. Bishop". The signature is written in a cursive, flowing style.

Ken L. Bishop
President & CEO

A handwritten signature in black ink that reads "Daniel J. Dustin". The signature is written in a cursive, flowing style.

Daniel J. Dustin, CPA
Vice President, State Board Relations

cc: Linda Harris, Secretary, Montana Board of Public Accountants
Rick Reisig, NASBA Mountain Region Director