

Idaho State Board of Accountancy

NEWSLETTER

<https://isba.idaho.gov/>

Volume 46, Issue 2

Mission Statement

The mission of the Idaho State Board of Accountancy is to protect the public by assuring certified public accountants and licensed public accountants under its jurisdiction are adhering to the statutes and rules regarding qualification, professional ethics and conduct.

Vision

The Idaho State Board of Accountancy is committed to the protection of the public by enhancing the integrity of the profession through fair, impartial, effective, and efficient governance.

Board Members

Scott Dockins, CPA

Chair – Moscow

Jason Peery, CPA

Vice-Chair – Boise

Jim Bell, CPA

Secretary – Idaho Falls

Cindy Harmon, CPA

Treasurer – Twin Falls

Kevin Oakey, CPA

CPA Member – Idaho Falls

Larry Hunter

Public Member - Boise

Contact Information

3101 W Main St Ste 210
Boise, ID 83702

PO Box 83720
Boise, ID 83720-0002

Phone: 208-334-2490
Fax: 208-334-2615

E-mail: isba@isba.idaho.gov
Website: isba.idaho.gov

NOTICE OF OMNIBUS RULEMAKING

The Board staff assisted by the Board and Legal counsel, have undertaken a critical and comprehensive review of our agency's administrative rules as per Governor Little's Executive Order NO. 2019-02. No substantive changes were made, only reduction, clarification, and any duplicate information was removed. You will find these changes did create the need to renumber the rules. We invite you to become familiar with these changes, you can review the pending changes at the [Administrative Bulletin, Notice of Omnibus Rulemaking – Adoption of Pending Fee Rule, Docket 01-0101-1900F](#), pages 29-44.



CONGRATULATIONS!

Congratulations Jason Peery, CPA, on being selected as the Mountain Regional Director for NASBA's Board of Directors. Jason is a partner of Grow Rasmussen LLP in Boise and currently serves a vice chair of the Idaho Board and is a member of NASBA's Education and Relations with Member Boards Committee. NASBA's Mountain Region consists of Colorado, Idaho, Montana, Nevada, Utah and Wyoming.

BOARD MEMBER CHANGE

Governor Brad Little recently appointed Mr. Kevin Oakey, CPA, from Rudd & Company PLLC, Idaho Falls, to the Board. Kevin replaces T. Layne VanOrden, CPA with his term beginning in September 2019 ending in August 2024.

Mr. VanOrden, from VanOrden Lund and Cannon PLLC of Blackfoot served on the Board from September 2014 thru August 2019, ending his service as Board Chair during this past year. Mr. Scott Dockins, CPA, of Presnell Gage PLLC in Moscow, now serves as the Board Chair.

Thank you to Layne for your dedication and service to the Board.

CPE REPORTING REMINDER

December 31st is the deadline for CPE to be completed with January 31st being the deadline for timely reporting. Report your completed CPE using our online [CPE Reporting system](#). Remember to click the submit button, and make sure that you see the message 'Your CPE data has been submitted', then print a copy of the report for your file. Late fines begin at 12:01 am Mountain Standard time February 1st, beginning at \$100 and increasing \$50 per month until submitted.

If you were unable to complete your CPE requirement within the calendar year, the Board may grant an extension of time to complete your required credits for reasons of health or other good

(Continued on Page 3)

A MESSAGE FROM THE BOARD CHAIR

It has been my pleasure to serve on the Idaho State Board of Accountancy for the last four years and I appreciate the opportunity to serve as Board Chair during my last year. During the last four years I have become familiar with many subjects that have already impacted and will continue to impact our profession overall, but that as a practitioner have minimal impact on my day to day activities. These have included changes in CPE, the Peer Review Program, and legal definitions of attest services.



Scott J. Dockins, CPA

There are several new areas that the State Board is addressing with the help of the National Association of State Boards of Accountancy (NASBA). The first that I want to mention is deemed 'disruptive technology changes' that the profession is dealing with. These include data analytics, robotics, artificial intelligence, Blockchain, and more. Disruptive sounds scary but it just means change. For those who were practicing when computers hit our desks in the mid-80s that was disruptive. They changed how we did everything. But now we couldn't do without them. The coming technology changes could have the same impact and change how the professional services are performed. The State Board and NASBA are working to evolve the competencies, services and attitudes of CPAs so that the public interest is protected as these changes occur.

The second area that we are dealing with is the threat to the profession from anti-regulatory legislation. There is a national movement to pass legislation to eliminate most forms of licensing. While there are cases where the licensing requirement has been abused, regulations requiring the licensing of professions such as doctors, lawyers, CPAs and others are to protect the public, not limit access to those professions. Although the legislation is intended for those abusive regulations they are often being written to eliminate all licensing. The public has a vital interest in the competence of CPAs and their adherence to statutes and rules, codes of professional conduct and standards of practice. These are all tied to licensing. We all need to be aware of the unintended consequences of this seemingly well-meaning legislation. Not all regulations are bad.

I have enjoyed the first four years of my term on the Board. It has gone by all too quickly. With five year terms and a seven member board, that means we lose one or two members each year. New members are always needed. If you are interested in dealing with the regulatory side of our profession and would like to be considered for a board position, I recommend reaching out to our Executive Director to learn more about the Board, the process, the qualifications, time commitments and other opportunities Idaho Board members have to give back to our profession.

Scott J. Dockins

[NASBA Article on CPA Evolution](#)

[Evolution of CPA](#)

[NASBA Legislative E-News](#)

Click the buttons above for more information.

A MESSAGE FROM THE CPE COMMITTEE CHAIR

As we come to the close of another year, you may find yourself reflecting on the quality of your continuing professional education courses taken over the past year...or not. If you're like me, you are looking forward to spending time with family and friends during the holidays and skiing the amazing snow in our Idaho mountains, or participating in any number of other activities this season has to offer. However, considering our CPE and how it enhances our professional competence probably deserves a moment of our time.



McRay Bryson, CPA

In recent years, the accounting profession has undergone many significant changes, including tax reform and a complete overhaul of revenue and lease accounting standards, among others. The complexity and advances in business probably won't slow down and wait for us to catch up. We have the professional responsibility

to maintain relevant knowledge of advancing technology, changing regulation, and a wide variety of complex business transactions.

The 2016 NASBA/AICPA Statement on Standards for Continuing Professional Education Programs provides a helpful suggestion for maximizing the benefit of continuing education. It recommends developing a learning plan to guide our professional development. A plan should begin with a self-assessment of the gap between current and needed professional competence, then establish learning objectives and activities to fill the gap. The learning plan should be dynamic and reviewed regularly to evaluate learning development, and modified as needs change.

Best wishes for the upcoming holidays! Hopefully, each of us can take the time to recharge our batteries before beginning another busy season.

McRay Bryson, CPA

THE EVOLUTION OF THE CPA

The world today looks a lot different than it did twenty, or even ten years ago. So does the public accounting profession. How does the profession, and the CPA designation remain relevant in this world of technological innovations and the changing clients served by CPAs? How does the Board of Public Accountants, and their regulator counterparts across the US, strengthen and support changing business needs while continuing to protect the public?

The National Association of State Boards of Accountancy (NASBA), of which the Idaho State Board of Accountancy is a member, and the American Institute of CPAs (AICPA) are initiating a joint effort to look at the CPA profession and its licensure model through the lens of the need for rapidly changing CPA skills and competencies. Just as the 10-key and ledger sheets were the tools of the trade of the past, the future includes innovations in artificial intelligence, automation and data analytics. The CPA of today bears little

resemblance to the CPA of the past, or of the future.

Embracing change has allowed the profession to evolve and remain relevant in today's business climate. But what should that evolution look like for the future? As part of their evolution initiative, NASBA and the AICPA have identified a non-inclusive list of new skills and knowledge in areas such as:

- » Business intelligence
- » Data analysis and reporting
- » Data management
- » Predictive analytics
- » Cybersecurity risk management
- » IT governance
- » IT audit
- » IT risks and controls
- » Information security governance
- » Systems and organization controls
- » Information system development

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CPE REPORTING REMINDER (CONTINUED FROM PAGE 1)

cause. Penalty credit hours will be assessed on all extensions at half of the amount of the CPE that you are short. i.e. short 14 CPE credits, assessed 7 CPE penalty credits, owe a total of 21 CPE credits no later than April 30th in order to be eligible to renew your license in the Active status. The system will calculate your shortage and your penalty CPE credits to be completed.



All questions may be directed to Tami Helton, CPE Coordinator at: tami.helton@isba.idaho.gov or by calling the Board office at: (208) 334-2490.

For all of your CPE FAQ's, you can follow the link or call the Board office.

NO CPE TO REPORT?

I did not complete CPE because I am changing my license status effective July 1, 2020.

1. Log in to the CPE reporting system.
2. In the dropdown box - select the license status for the upcoming 2020/2021 licensing period.
3. During the upcoming license renewal period - pay for Inactive or Retired license status. If you choose lapsed status, your license will not be renewed.

LICENSE STATUS CHANGE OPTIONS

Inactive – annual fee: \$100.00 may not practice public accounting, no CPE requirement. Must use “CPA-Inactive” or “LPA-Inactive.” Do not publicly display wall certificate. May provide volunteer services for which the licensee receives no direct or indirect compensation.

Retired – annual fee: \$100.00 must be 55 years of age or disabled, may not practice public accounting, no CPE requirement. Must use “CPA-Retired” or “LPA-Retired”. Do not publicly display wall certificate. May provide volunteer services for which the licensee receives no direct or indirect compensation.

Lapsed – no annual fee, no CPE requirement, may not practice public accounting or use title CPA or LPA. Do not publicly display wall certificate.

NOTE: You may bring your license back into Active status by completing the reinstatement/re-entry process at any time. Complete the reinstatement/re-entry application, submit 80 hours of CPE (four of which must be ethics with at least two Idaho specific ethics) and pay the reinstatement/re-entry fee. Contact the Board office for the fee amount.

CONGRATULATIONS TO OUR NEW LICENSEES

LICENSEES APRIL 2019 - OCTOBER 2019

License #	Name	Issue Date	License #	Name	Issue Date
CP-6100	Scot Aaron Fetters	4/24/2019	CP-6127	Theresa Faye Sickles	8/14/2019
CP-6101	Deborah Lynn Powers	4/30/2019	CP-6128	Tevis William Lee	8/14/2019
CP-6102	Michael John Elias Thomas	4/30/2019	CP-6129	Braden Lee Bennett	8/14/2019
CP-6103	Molly Melina Watson	5/2/2019	CP-6130	Tyson Vereen Bingham	8/14/2019
CP-6104	Madison Taylor Stimpson	5/7/2019	CP-6131	Glenn Itong Capeding	8/22/2019
CP-6105	Garrett Clyde Harper	5/15/2019	CP-6132	Matthew Adam Ingersoll	8/22/2019
CP-6106	Aric John Taylor	5/28/2019	CP-6133	Taylor Jordan Graphenteen	8/29/2019
CP-6107	Sherwin Edward Pestka	5/28/2019	CP-6134	Colin David Livingston	8/29/2019
CP-6108	Daniel Dean Fredrickson	7/1/2019	CP-6135	Hayley Brooke Hudson	8/29/2019
CP-6109	David Noble Bateman	7/1/2019	CP-6136	Hunter Westin Brodt	8/29/2019
CP-6110	Douglas William Barbin	7/1/2019	CP-6137	Casey Elizabeth Howard	9/5/2019
CP-6111	Timothy Wayne Johnson	7/1/2019	CP-6138	Richard James Douglas Brandt	9/5/2019
CP-6112	Brandon Craig Richins	7/11/2019	CP-6139	Tyler Durant Lamm	9/11/2019
CP-6113	Wanda Garcia Smith	7/11/2019	CP-6140	Jason Austin Drain	9/11/2019
CP-6114	Spencer Henry Paul	7/16/2019	CP-6141	Kale Robert Norwood	9/12/2019
CP-6115	Damon David Johnson	7/16/2019	CP-6142	Brian Kirk Udink	9/12/2019
CP-6116	Brian Davis Hollingsworth	7/16/2019	CP-6143	Andrew Kyle Ruesink	9/18/2019
CP-6117	Irving Aaron Schoenfeld	7/22/2019	CP-6144	Nicole Marie Montgomery	9/18/2019
CP-6118	Keith Randall Cook	7/22/2019	CP-6145	William David Spoehr	9/23/2019
CP-6119	Shalissa Nicholas	7/22/2019	CP-6146	Joshua Marc Elliott	9/23/2019
CP-6120	Jessi Charles Webb	7/23/2019	CP-6147	Brian Michael Parasida	9/26/2019
CP-6121	Emily Mae Wolff	7/25/2019	CP-6148	Landon Louis Strong	10/7/2019
CP-6122	Kaitlin Mary Carlson	7/30/2019	CP-6149	Amanda Reeder James	10/7/2019
CP-6123	Kristin Kay Wright	8/5/2019	CP-6150	Sheldon Scott Anderson	10/7/2019
CP-6124	Heather Bee	8/5/2019	CP-6151	Thomas Stephen Ryan	10/7/2019
CP-6125	Tyler Donald Platt	8/14/2019	CP-6152	Trenton Scott Christensen	10/7/2019
CP-6126	Afton Carrie Harris	8/14/2019	CP-6153	Stacy Dean Reichelt	10/8/2019
			CP-6154	Rachael Lee Zweiner Strong	10/8/2019

RESPONSIBLE LICENSING MATTERS

In this era of rollback of regulations or even deregulation of occupations and professions, much talk has turned to the necessity of licensing professions. After all, the US was founded on individual freedoms, including freedom to earn a living. So why should you care about this?

The CPA profession, and your counterparts around the globe, are responsible for the fiscal integrity of the financial systems throughout the world. You hold a high level of public trust and influence in the financial arena. As we have seen in the past, when a CPA fails to perform, it has a lasting ripple effect.

Responsible licensing of highly complex and technical professions protects the public by ensuring licensees have met minimum competency requirements and maintain those competencies through CPE, which protects consumers from unqualified practitioners in areas where consumers do not have the expertise needed to evaluate the practitioner's qualifications and performance. CPA initial licensing and maintenance is rigorous for a reason. Responsible licensing allows all qualified individuals to enter the profession without artificial deterrents but ensure public protection.

CPA regulation in the US has made great strides in eliminating unnecessary barriers to entry into the profession. Individual and firm mobility allows qualified practitioners to practice across state



lines. Reciprocity of licensure and CPE reciprocity allows easy flow of licensing from one jurisdiction to another. Unfortunately, these accomplishments have not removed the CPAs from the broad-brush approach to deregulation of occupations and professions.

The National Association of State Boards of Accountancy (NASBA), of which the Idaho State Board of Accountancy is a member, has joined with other regulatory associations of highly complex technical professions (architect, landscape architects, professional engineers and professional surveyors) to create the [Alliance for Responsible Professional Licensing \(ARPL\)](#). ARPL was created to ensure that a unified voice for advanced professions is present and heard in the growing debate around the appropriate level of licensure for professions and occupations. Visit their [website](#) to learn more about ARPL and their efforts to promote a responsible, balanced approach to professional licensing. Talk to your local legislator and stay involved. Help maintain public protection in the practice of public accounting.

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DISCIPLINARY ACTIONS

CP-5463 Kevin Breard Northridge, CA

The Public Company Accounting Oversight Board, PCAOB, instituted disciplinary action against Breard & Breard & Associates. Breard and the firm submitted an Offer of Settlement to resolve all issues with the PCAOB, without admitting or denying the PCAOB's findings. The Idaho Board entered into a Stipulation & Consent Agreement with Breard and the firm. Breard's license is in a probationary status until the earlier of August 9, 2023 or termination of PCAOB probation. During probation, Breard will not associate with a PCAOB firm; forward PCAOB communication to the Board; will not register as an Idaho firm; and if performing attest services for non-public clients in Idaho under firm mobility to have pre-issuance review until the earlier of the end of any probation or a completed peer review by the AICPA without comments. Breard agreed to pay an \$800 fine consisting of penalties and attorney fees.

CP-4140 Amy Harris Ketchum, ID

The Idaho State Board of Accountancy filed a complaint for failure to have knowledge of professional standards relating to audit services. The Board and Harris entered into a Stipulation & Consent Agreement. Harris, on or before December 31, 2019, is to complete a peer review and provide evidence of completion. Harris shall be prevented from performing or engaging in any attest work until she has enrolled and engaged a peer review firm. Thereafter, Harris agreed that until the earlier of three (3) years from the Board's order or until such time a completed peer review is submitted without comments, she will undergo pre-issuance review. Harris agreed to pay an administrative penalty of \$1,750 consisting of attorney fees and costs.

FR-0676 Garabedian & Associates Boise ID

The Idaho State Board of Accountancy filed a complaint for failure to comply with Peer Review requirements and timely commence an initial peer review. The Board accepted a Stipulation & Consent Agreement in which Garabedian agreed to complete a peer review and file the appropriate copies with the board office. Garabedian shall be prevented from performing or engaging in any attest work until a review is completed and pay an administrative penalty of \$1,500.

CP-1908 Chad Smith Boise, ID

Smith was convicted of Battery-Domestic Violence with Traumatic Injury, a felony. The Board entered into a Stipulation & Consent Agreement to lapse Smith's license in lieu of discipline. Smith will cease to utilize the title of CPA, nor will he perform any services which require a CPA designation. Smith shall not apply for reinstatement of his license until completion of incarceration, parole and any supervised probation related to the case.

CP-6079 Ethan Lee Idaho Falls, ID

The Board of Accountancy entered into a Stipulation & Consent Agreement. Lee agreed to pay a \$700 administrative penalty for the failure to timely obtain an Idaho license. Lee is currently licensed with the Board and his license is in good standing.

CP-6120 Jessi Webb Coeur d'Alene, ID

The Idaho State Board of Accountancy filed a complaint for failure to comply with Peer Review and licensing requirements. The Board accepted a Stipulation & Consent Agreement in which Webb agreed to provide the Board office with a signed engagement letter from a peer review firm; on or before June 30, 2020, to complete a peer review and comply with reporting requirements with the board office. Webb shall also be prevented from performing or engaging in any attest work until the peer review has been completed; and pay an administrative penalty of \$3,500 for the failure to register, timely undergo peer review and to timely obtain an Idaho license.

CP-1374 Jay Miracle Mountain Home, ID

Miracle agreed to pay a \$250 administrative penalty for the failure to disclose a misdemeanor charge on his license renewal. Miracle is currently licensed with the Board and his license is in good standing.

FR-0703 Sager McDonough PLLC Meridian, ID

The Idaho State Board of Accountancy filed a complaint for failure to comply with Peer Review requirements. The Board accepted a Stipulation & Consent Agreement in which the firm agreed to enroll with an administering organization by April 2020; provide the Board office with a signed engagement letter with a peer review firm by September 2020 and have a completed peer review by March 2021. The firm was also ordered to pay \$1,500 in administrative penalties and attorney fees and costs.



CPA EXAM PERFORMANCE SUMMARY

IDAHO - 2019 Q-2

<u>Overall Performance</u>		<u>Section Performance</u>			
Unique Candidates	103		Sections	Score	% Pass
New Candidates	23	First-Time	39	72.13	64.1%
Total Sections	131	Re-Exam	92	70.83	48.91%
Passing 4th Section	12	AUD	46	73.02	54.35%
Sections / Candidates	1.27	BEC	29	72.72	55.17%
Pass Rate	53.44%	FAR	26	69.69	46.15%
Average Score	71.21	REG	30	68.30	56.67%

Jurisdiction Ranking

Candidates	Sections
48	48
31	36
Pass Rate	Avg Score

PASS LISTS

2019 Q2 Apr-May-Jun

Braden Bennett
Elizabeth Clapp
Robert Drasso
Jared Elison

Amanda Gardner
Christopher
Henderson
Joshua Martin
Wanda Smith
Aric Taylor

Larren Walker
Kristin Wright
Brandon Woods

2019 Q3 Jul-Aug-Sep

Andrea Allen
Kaylee Anderson
Tyson Bingham
Glenn Capeding

Kasey Chovanak
Eliza Clarke
Joshua Egbert
Jordan Grigg
Cade Jones
Jacob Luster
Lynette Mobley

Austin Nelson
Kaden Pfeiffer
Anjalika Pupko
Andrew Ruesink
Raymond Wilkins
Michelle Wilson

CPA EXAM PERFORMANCE SUMMARY

IDAHO - 2019 Q-3

<u>Overall Performance</u>		<u>Section Performance</u>			
Unique Candidates	120		Sections	Score	% Pass
New Candidates	32	First-Time	57	73.49	63.16%
Total Sections	167	Re-Exam	110	73.66	59.09%
Passing 4th Section	16	AUD	38	72.68	57.89%
Sections / Candidates	1.39	BEC	37	79.86	81.08%
Pass Rate	60.48%	FAR	58	70.55	48.28%
Average Score	73.60	REG	34	73.03	61.76%

Jurisdiction Ranking

Candidates	Sections
48	48
10	20
Pass Rate	Avg Score

Board Staff
Kent A. Absec
Executive Director
kent.absec@isba.idaho.gov

Sandy Bly
Administrative Assistant II
sandy.bly@isba.idaho.gov

Tami Helton
Technical Records Specialist I
tami.helton@isba.idaho.gov

Mary Robinson
Office Specialist II
mary.robinson@isba.idaho.gov

Office Closures

Wednesday, December 25, 2019
Wednesday, January 1, 2020
Monday, January 20, 2020
Monday, February 17, 2020
Monday, May 25, 2020
Friday, July 3, 2020
Monday, September 7, 2020
Monday, October 12, 2020
Wednesday, November 11, 2020
Thursday, November 26, 2020
Friday, December 25, 2020

Board Meetings

Thursday, January 9, 2020
Tuesday, April 28, 2020
Thursday, July 16, 2020
Wednesday, October 21, 2020

IN MEMORIAM

CP-0135 Russel Viehweg	CP-1297 Michael Moeller
CP-0670 Warren Hollenbeck	CP-2402 Jan R. Wilde
CP-0815 Fritz O. Eymann	CP-2965 Glenn M. Dorsey
CP-1222 Ralph T. Barnes	CP-5139 Nathan Morin



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CPA Exam Candidate Common Mistakes



Timing Out During Introductory Screens

CPA Exam candidates should be aware that once the Launch Code is entered, the subsequent introductory Examination screens operate under a 5-minute time limit and you must move through the introductory screens quickly. If the 5-minute time limit is exceeded, the session will automatically terminate and it will not be possible to restart the Examination. In this case, the candidate must leave the test center, forfeit fees, reapply to test in the next test window, and receive a score of 0.



Failing to Select the Break Button

CPA Exam candidates are offered a standardized, 15-minute break after the first task based simulation testlet. If the break is accepted, it does not count against testing time. Candidates also have the option to take a break at the end of each testlet.

The testlet must be exited and the break option must be selected to be able to return to the testing room.

Test center staff confirms the testlet has been completed prior to the break.

The clock keeps running during the break except during the standardized break.



Accessing Prohibited Items During the Break

CPA Exam candidates cannot possess any prohibited item (whether or not in use) inside, or while entering or exiting the testing room.

Prohibited items are not allowed to be used during a break.

For a list of prohibited items, please reference the *Candidate Bulletin*.

