



# N ewsletter

April 1998 • Volume 20 Issue No. 2

## FREQUENTLY ASKED QUESTIONS ...

### THE BOARD AND THE SOCIETY: Some Basic Differences

Licensee responsibilities with regard to the Board and the Society occasionally generate confusion. The following information lists out some of the basic differences between the two entities and how those differences impact Idaho licensees.

The Board is the licensing and regulatory body that grants the license to practice as a Certified Public Accountant. The Society is the professional association. CPAs must be licensees of the Board and may be members of the Society. The license to practice is renewed by the Board on a yearly basis. Dues are paid annually to the Society for membership. The Board can suspend or revoke your certification as a CPA or LPA for violations of the Idaho Accountancy Act and Rules.

The Board requires 80 hours of Continuing Professional Education every two years to maintain a license. A minimum of 30 hours and a maximum of 50 in any one calendar year contribute to the 80 hours every two years. The Society coordinates and makes available numerous CPE classes to meet this educational requirement.

The Board investigates complaints filed against licensees. It is the responsibility of a licensee to respond to the Board's investigation into any such complaint. By being aware of the Idaho Accountancy Act and Rules, licensees can avoid many of the circumstances that can lead to a complaint.

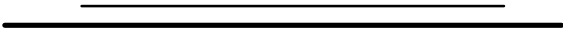
The Board encourages its licensees to contact this office with any questions. Likewise, we encourage licensees to contact the Idaho Society of CPAs at (208) 334-6261 with any questions for that organization.

## UPCOMING EVENTS

May 1	License Renewal Forms Mailed
May 6 & 7	Uniform CPA Examination
May 31	CPE Extension Deadline
July 1	License Renewal Deadline
July 1	Practice Unit Registration Forms Mailed
August 31	Practice Unit Registration Due

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OF  
ACCOUNTANCY**

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(208) 342-9361

**Alan K. Van Orden, CPA**  
Vice-Chair, Pocatello  
(208) 232-5471

**Leonard R. Hodge, CPA**  
Secretary, Coeur d' Alene  
(208) 765-9500

**Samuel K. Cotterell, CPA**  
Treasurer; Investigations, Boise  
(208) 384-7858

**Curtis Pope, CPA**  
Past-Chair, Burley  
(208) 678-3027

**Donald C. Etter**  
Public Member, Mtn Home  
(208) 587-2104

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LPA Member, Nampa  
(208) 466-1284

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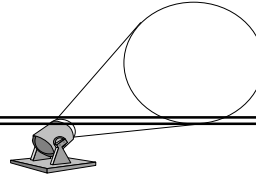
**Kris Yettick**

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*CPE & QR Coordinator*  
[kyettick@boa.state.id.us](mailto:kyettick@boa.state.id.us)

**LICENSE RENEWALS: DON'T BE  
LATE!!**



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Licensees who fail to renew their licenses in a timely manner will be assessed an administrative penalty of up to **\$1,000** in addition to the late fee of **\$50**. Any licensee suspended for nonpayment of the annual renewal fee will be assessed a renewal fee of up to **\$500** in addition to an administrative fine of up to **\$1,000** when or if they apply for reinstatement. Remember to pay your license renewal on time.

**RENEWAL DUE DATE  
is  
JULY 1, 1998**

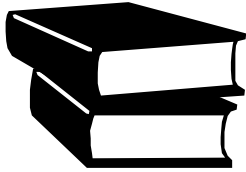
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**INACTIVE STATUS  
REQUESTS**

If you are considering placing your license in an inactive status, please note the following reinstatement requirements from Idaho Rules:

**Rule 518.03 Reinstatement.** Licensees who have voluntarily suspended their license may apply for reinstatement of their license by submitting appropriate forms supplied by the Board and paying the applicable fees. The licensee must also complete 80 hours of continuing professional education in the 12 months prior to applying for reinstatement and must provide appropriate documentation of the hours prior to the issuance of a license.

*We have added a section to the annual license renewal form for requesting inactive or retired status.*



## CPE NEWS

**1997 CPE REPORT:** In December 1997 CPE reports were mailed to 2,223 licensees. 72 licensees requested inactive status for their license and 12 requested retired status as of June 30, 1998.

**1998 CPE COMMITTEE MEETING:** The Continuing Professional Education Committee met on March 5, 1998 at the Idaho Board of Accountancy office to perform random audits, review CPE courses, and discuss various CPE issues. Several college courses were disallowed because they were *lower division courses*. If you are considering taking or instructing a college or university course, please review the rules. The course must be an *upper division course* to qualify for CPE.

Also disqualified was a leadership training program sponsored by the Boy Scouts of America. If you have any questions regarding CPE courses, please review the Idaho Accountancy Act, Subchapter F - CPE. If you need further assistance, please contact Kris Yettick, CPE Coordinator at the Board office.

**SELF STUDY PROGRAMS:** The CPE Committee would like to remind licensees that *non-interactive self study courses* will only qualify for credit equal to *1/2 of the average completion time* (100 minutes for each credit hour.) One example of self study programs that would be considered non-interactive would be the quizzier programs from the *American Society of Continuing Education*. The CPE Committee ruled that these quizzers will be eligible for only 1/2 credit. If you are unsure of a specific program, please contact the program's sponsor for clarification of their course.

Following is a copy of the Idaho Accountancy Rule Subchapter F - CPE, Rule 507.01.a-507.01.c. that explains the difference between Interactive Self Study and Non-Interactive Self Study programs:

### **507. OTHER QUALIFYING PROGRAMS AND ACTIVITIES (Rule 507).**

**01. Programs.** The following will qualify as acceptable continuing education programs provided they meet the standards outlined in Rule 505 and are properly reported, and comply with all other applicable requirements under these rules:

**a. Interactive-Self Study Programs:** A program designed to use interactive learning methodologies that simulate a classroom learning process by employing software, other courseware, or administrative systems that provide significant ongoing, interactive feedback to the learner regarding his or her learning progress. Evidence of satisfactory completion of each program segment by the learner is often built into such programs. These programs clearly define lesson objectives and manage the student through the learning process by (1) requiring frequent student response to questions that test for understanding of the material presented, (2) providing evaluative feedback to incorrectly answered questions, and (3) providing reinforcement feedback to correctly answered questions. Therefore, capabilities are used that, based on student response, provide appropriate ongoing feedback to the student regarding his or her learning progress through the program. Interactive self-study programs should receive CPE credit equal to the average completion time (50 minutes for each credit hour).

**B. Non-Interactive Self-Study Programs:** Any self-study program that does not meet the criteria for interactive self-study. Non-interactive self-study programs should receive CPE credit equal to one-half of the average completion time (100 minutes for each credit hour).

**C. Evidence.** Licensees claiming credit for such courses must obtain evidence of satisfactory completion of the course from the program sponsor. Credit will be allowed for the calendar year in which course is completed.



## SPECIAL RECOGNITION

### 1998 REINSTATED LICENSES

The Board would like to welcome back the following licensees who have reinstated their Idaho CPA license since June 1997:

Daniel M. Hodgkiss	WY
John Millington	ID
Laura S. Fry	ID
Mary S. Gotsch	ID
Craig F. Orton	OR
Charles E. Hassard	ID
David J. Dickinson	ID

### *In Memorial...*

**Mr. Gilbert A. Stewart PA- 4  
"LPA Retired"**



## FROM THE IDAHO DEPARTMENT OF FINANCE

Anyone who extends, arranges, or takes assignment of consumer credit is required by the Idaho Credit Code to file notification with the Department of Finance. "Consumer credit" means the transaction is for personal, family, or household purposes. To find out if this applies to you, or to request an "Annual Notice of Intent do Business" to file notification, please call the Idaho

Department of Finance, ICC Division. They can be reached at (208) 332-8002.

### NOVEMBER 1997 CPA EXAM STATISTICS

The following statistics were compiled for the November 1997 Uniform CPA Examination for all Idaho exam candidates:

	Total Tested	# Passed	% Passed
Audit	178	53	30%
Business Law	190	49	26%
Accounting & Reporting	178	34	19%
Financial Acctg & Report	177	61	34%
Passed in one sitting	16		7%
Passed after add'nal sitting(s)	25		12%
New Condition	27		13%
Additional Condition	14		6%
Failed	134		62%
Total Sitting	216		100%

Conditioned status is granted for passing at least two sections with at least a 75% grade and having at least a 50% in the two failed sections. Once a candidate has conditioned, he or she has the next six consecutive given examinations to pass the remaining subjects and successfully pass the exam. If the candidate does not pass within the next six exams, conditioned status is lost and the candidate

must start over by sitting for all four sections of the exam.

CONGRAT LATIONS CANDIDATES  
OB ELL DONE

## BOARD VOLUNTEER OPPORTUNITIES

CPA and LPA volunteers are important to the operations of the Idaho State Board. Volunteers provide the Board with a broadened knowledge base, a more diverse perspective, and creative energy. Committee volunteers benefit by serving with other outstanding licensees and by helping to define and maintain a strong profession.

We are looking for volunteers for the following activities:



### **Uniform CPA Examination Proctors**

We would appreciate CPA volunteers willing to assist us with the May 6 & 7, 1998 exam proctoring. Assistance is needed at the Boise and Pocatello locations.

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## **PRACTICE UNIT REGISTRATION**

The next practice unit registration period begins July 1, 1998. *The State Board will take action against licensees and firms who have not complied with the rules and regulations regarding Practice Unit Registration and Quality Review.* These actions may include: administrative penalties; revocation; suspension; or refusal to renew license. Please refer to the Idaho Accountancy Act, Idaho Code Section 54-219. To avoid such penalties, we ask that you comply with the registration requirements in a timely manner. If you have any questions about the registration process, approved administering organizations, or the Quality Review rules and regulations, please contact this office.

Registration forms will be mailed to all licensees in July 1998.

*To apply, contact Barbara Porter at (208) 334-2490 for further information.  
Please pass the word along to someone you know who may be interested or has special knowledge in these areas.*

## **PEER REVIEW INFORMATION**

If your firm is required to have a peer review, you must register with one of the following approved Administering Organizations. After registering with the Administering Organization, you must notify the Idaho State Board of Accountancy of the review date assigned to your firm.

AICPA-SECPS

201-938-3031

Idaho Society of CPAs 208-344-6261  
 Kansas Society of CPAs 913-267-6460  
 Montana Society of CPAs 406-442-7301  
 Nevada Society of CPAs 702-826-6800  
 National Society of Accountants 800-966-6679  
 x-1320  
 Oregon Society of CPAs 503-641-7200  
 Texas Society of CPAs 972-687-8565  
 Washington Society of CPAs 206-644-4800

IDAHO STATE BOARD OF ACCOUNTANCY  
 THE OWYHEE PLAZA  
 1109 MAIN ST STE 470  
 PO BOX 83720  
 BOISE ID 83720-0002

BULK RATE  
 US POSTAGE  
 PAID  
 Boise, ID  
 Permit No1

### Address Change? Let Us Know!

Licensees, please check the mailing label on the upper half of this page. Idaho Accountancy Rule 302 requires license holders to notify the Board in writing within 30 days of any change of address, business connection, or employer.

Licensee Name \_\_\_\_\_

Employer Name \_\_\_\_\_ New?  Yes  No

License # \_\_\_\_\_ Daytime Phone ( ) \_\_\_\_\_

New Mailing Address \_\_\_\_\_

\_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Mail to: Idaho State Board of Accountancy  
PO Box 83720  
Boise, Idaho 83720-0002