



Idaho State Board of Accountancy Newsletter

Volume 24, Issue 1—Spring 2002

IMPORTANT CHANGES IN ACCOUNTANCY LAW

The 2002 Idaho Legislature considered a bill to update regulation of the accounting profession in Idaho. They passed House Bill 485, and the Governor signed it into law. A copy of the bill can be found via the Board's web site or by contacting the Board office. The effective date for the revisions to the Idaho Accountancy Act is July 1, 2002.

The bill was sponsored by the Idaho Society of CPAs with input from the Idaho State Board of Accountancy and the Idaho Association of Public Accountants. The general components of the legislation were presented throughout the state over the past four years. Surveys, open sessions, and newsletter articles were used to disseminate information and gather input.

Based upon committee work and input received from candidates, licensees and the general public, the bill was drafted to reflect virtually all of the model language of the Uniform Accountancy Act. The significant changes include:

Definitions:

"Attest" has been added, and includes audits, reviews, and examination of prospective financial statements.

"Compilation" has been revised to specifically exclude financial statements without reports (ie plain paper financials.) Licensees who do not prepare compilations, reviews or audits can issue plain paper financial statements as long as they attach Safe Harbor Language as contained in section 54-226(3), Idaho Code. NOTE: This is different from the UAA, and is not in compliance with AICPA reporting standards.

"Firm" replaces "Practice Unit."

"Peer Review" replaces "Quality Review."

"Professional Services" replaces "Practice of Public Accounting."

"Substantial Equivalency" is the basis for allowing licensees from other states the privilege to practice in Idaho.

Examination:

The new law will allow candidates to sit for the Uniform CPA Examination in Idaho with a Bachelors degree. However prior to becoming licensed, the candidates must complete 150 semester hours. The number and type of business and accounting courses are outlined in the rules. The law is written to allow for conversion to a computer-based test. However the rules will have to be revised approximately six months before conversion. Exam fees are increasing in November 2002, and will increase again with the computerized exam.

Initial Licensure:

Applicants must pass the Uniform CPA Examination and an ethics examination. The experience requirement is reduced from 2 years to 1 year. Experience must be verified, but not necessarily supervised, by a licensee. Anyone electing to perform attest services must meet additional experience requirements as set forth in the AICPA's Statements on Quality Control Standards and monitored through the Peer Review Program.

Idaho still can license individuals via reciprocity or transfer of grades when they move into our state. The new law also allows Idaho to license individuals via foreign reciprocity when they hold a designation deemed equivalent to a CPA license (ie Chartered Accountants from Canada.) Initial licensure fees and renewal fees are unchanged.

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Computer Based Testing (CBT)

Computer Based Testing (CBT) is still anticipated for November 2003.

In the January/February 2002 and May/June 2002 CPA Exam Alert AICPA publications, the Board of Examiners announced that they had approved a four section exam with an initial length of 14 hours.

Below is a list of the CBT examination sections and the length (in hours) of time allowed for each:

Business Environment & Concepts	2.5
Auditing & Attestation	4.5
Regulation	3.0
Financial Accounting and Reporting	4.0

Candidates who have attained conditional status as of the launch date of the CBT exam will be allowed a transition period to complete the remaining sections. The transition period is the period of time or maximum number of opportunities (whichever is first exhausted) that candidates who have conditioned under the paper and pencil examination have remaining at the launch date.

For more information about the CBT, visit the AICPA's web site at:

www.aicpa.org



Accountancy Law Changes

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Idaho's temporary license option is discontinued. Instead licensees whose principle place of business is in another state will apply for privileges to practice under substantial equivalency. There is a \$50 per year fee and they must comply with their home state's CPE, firm registration and Peer Review requirements.

Lapsed, Inactive or Retired Licensure:

Licensees who no longer wish to hold an Idaho license can request to let their licenses "lapse." There is no annual renewal fee, CPE, or firm registration requirement. They cannot use the title or offer services reserved to licensees.

Licensees who wish to use the title "CPA (or LPA) Inactive" or "CPA (or LPA) Retired" may request to place their license into Inactive or Retired status. There is a \$100 per year renewal fee, but no CPE or firm registration requirement. They can use the title with the word Inactive or Retired after it, but cannot offer services reserved to licensees.

Firms:

Licensees working in firms that provide public accounting services must register with the Board annually. It is anticipated that the annual firm registration fee will be reinstated. Licensees not working in firms must so report on their annual license renewal. Firms may be owned by up to 49% non-licensees. It must be active ownership and all owners are subject to regulation by the Board.

Compilations:

Licensees may issue compilations from businesses other than firms. However, they are subject to the same firm registration and Peer Review requirements as licensees working in a firm.

Compensation:

Licensees may receive commissions and contingent fees from non-attest clients, or when issuing compilations if the licensee discloses his lack of independence, provided there is full written disclosure.

Use of Title:

Non-licensees may not use titles that imply they hold a license. However they may use the words accountant, accounting, or auditor so long as they are not implying they hold a license.

RULE CHANGES

The Idaho Accountancy Rules are currently being rewritten to reflect the changes to the Idaho Accountancy Act. They will go through the procedure for temporary and pending Administrative Rules. The new rules will be effective July 2002 in concert with the new Act. A copy of the proposed rules will be available by mid-May via our web site or by contacting the Board office.

NOTIFICATION AND GENERAL INFORMATION

A full copy of the Idaho Accountancy Act and Rules will be sent directly to all licensees as soon after July 1, 2002 as possible. It will also be provided to November 2002 Uniform CPA Exam candidates.

If you have any questions about the Accountancy law changes, please contact the Board office.

Volunteer Proctors

The Board uses volunteers to proctor the Uniform CPA Examination. If you would like to volunteer to proctor one of the last pencil and paper Uniform CPA Examinations, please contact Sandy Gentry at the Board office. The exam is given at Boise (Boise State University), Moscow (University of Idaho) and Pocatello. (Idaho State University).



The exam dates for 2002 are May 8th and 9th and November 6th and 7th. The last pencil and paper test is to be administered May 7th and 8th, 2003. The Computer Based Test (CBT) is anticipated for November 2003. You can choose to proctor one session, an entire day, or even both days!

The Uniform CPA Examination has been administered by the AICPA (American Institute of Certified Public Accountants) since 1917 as a pencil and paper test.

Ins and Outs

New Licensees from 10-10-2001 to 04-24-2002 (CP-4041 to CP-4090)

BAILIE, JAMES L	CP-4045	Reciprocity	MT
BARNES, MARLA E	CP-4083	Exam	
BLOXHAM, PEGGY L	CP-4052	Exam	
BOWEN, ROSS M	CP-4051	Exam	
CHAPMAN, DARREL KEITH	CP-4079	Reciprocity	OR
COHEN, ALLISON PAIGE	CP-4075	Transfer of Grades	IL
COLE, KELLEEN M	CP-4078	Exam	
COLE, PARIS G	CP-4076	Exam	
COX, MATTHEW ELSON	CP-4070	Exam	
ERICKSON, WARREN NORMAN	CP-4055	Reciprocity	WA
FELL, ANGELLA	CP-4072	Exam	
FLOWER, JENNIFER L	CP-4063	Exam	
FORSGREN, JAMES R	CP-4081	Exam	
GIESBRECHT, R M	CP-4044	Exam	
GLATZ, TRACY M	CP-4054	Exam	
GOODWIN, BETTY L	CP-4086	Exam	
GRIFFITH, SUMMER L	CP-4068	Exam	
HALFORD, KRISTI L	CP-4049	Exam	
HARRIS, MICHELLE LEE	CP-4085	Exam	
HEIDT, JASON	CP-4058	Exam	
HILL, M KATHRYN	CP-4059	Exam	
HILTON, AMANDA	CP-4046	Exam	
HINES, JEDONNE	CP-4057	Exam	
KLAUDT, PAUL ROBERT	CP-4065	Exam	
LAWRENCE, BOBBY J	CP-4056	Exam	
LOCKWOOD, KENDRA L	CP-4074	Exam	
MARTINDALE, LORI	CP-4073	Exam	
MCDONOUGH, JEFFREY DAVID	CP-4066	Exam	
MERRILL, JUDD BRYAN	CP-4071	Exam	
MERRILL, RUSSELL K	CP-4041	Exam	
MILLS, MARK T	CP-4047	Exam	
MILLS, RUTH ANN	CP-4084	Exam	
MORRISON, C A	CP-4048	Reciprocity	WA
NELSON, PAUL WAYNE	CP-4067	Reciprocity	OR
NIXON, J SCOTT	CP-4087	Reciprocity	UT
NOESEN, JERRY A	CP-4043	Reciprocity	CA
NORRIS, JIM V	CP-4060	Exam	
ODELL-GOODING, LISA ELLEN	CP-4077	Exam	
PAGE, WILLIAM R	CP-4050	Exam	
POWELL, DEBORAH K	CP-4069	Exam	
RINGEL, KEVIN L	CP-4053	Reciprocity	IL
ROBERTS, PRESTON LIDDELL	CP-4064	Reciprocity	NE
RUE, AARON D	CP-4042	Exam	
RULLMAN, DANIEL HOWARD	CP-4082	Exam	
SELLMAN, MICHELLE LEA	CP-4062	Reciprocity	WA
SPENCER, BONNIE M	CP-4061	Exam	
SAATHOFF, GORDON LEE	CP-4088	Exam	
SLOAN, TROY L.	CP-4090	Exam	
WOODS, CASSIE A	CP-4089	Exam	
ZENNER, JANINE Z	CP-4080	Exam	

Reinstated Licenses:

GERALD PARKINS, SR.	CP-0356
DANIEL LEONARD	CP-0925
GREGORY NELSON	CP-1039
TIM NORRIS	CP-1319
THOMAS STOESER	CP-1482
SHAUNA CROFT	CP-2622
MOLLY HUSTOFT	CP-2865
KEVIN ALLRED	CP-2888



UNIFORM CPA EXAM STATISTICS

November 2001 Uniform CPA Examination results for Idaho candidates:

Applications:

Proctored Candidates	7
Fee Transfer (first)	26
Fee Transfer (second)	5
Fee Forfeited	19
Denied	2
<u>Idaho Candidates sitting</u>	<u>184</u>
Total Applicants	243

Original	55	23%
Re-exam	188	77%
Total Candidates	243	100%

	Total	Pass	%
Law	141	56	39.71
Audit	152	44	28.94
ARE	145	49	33.79
FARE	155	35	22.58

Passed first sitting	12
Passed subsequent sitting (s)	32
Original Conditional Status	23
Retained Conditional Status	11
Further Conditional Status	15
Failed	88
Lost Conditioning	0
Grades Void	3
Total	184



Visit us on the web at:
www.state.id.us/boa

Here are just some of the things you will find:

- Board Calendar**
- CPE Information**
- Exam Information**
- FAQ**
- Fee Information**
- Firm Database**
- Firm Information**
- Forms**
- Idaho Accountancy Act**
- Idaho Accountancy Rules**
- Licensee Database**
- Licensing Information**
- Links to other State Boards**
- Meeting Minutes**
- Newsletter**
- UAA Information**



Important Dates

May 8-9, 2002 Uniform CPA Examination
 May 31, 2002 CPE Extension Deadline
 July 1, 2002 License Renewal Due Date
 August 1, 2002 Late Renewal Deadline
 August 5, 2002 Uniform Grade Release Date

**Thanks to November 2001 Proctors**

Boise	Balukoff Lindstrom & Co	Jesse Leib
	Grow Rasmussen & Co	Matt Grow Jason Peery
		Cecelia Merz
	Deloitte & Touche LLP	Matt Larson Lisa Owens Mike Mathieu
	Stewart Accounting	Carl Ashmead
Moscow		Nathan Strong

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*In Memory of***Stephen W. Smith, CP-436**

Mr. Smith was licensed in Idaho as a CPA on August 31, 1968. He was a lifelong resident of Idaho and was senior partner in Smith, Cook and Co. Ltd., a firm with offices in Ketchum, Hailey and Jerome. He was a past president of the Idaho Society of Certified Public Accountants.

Michael Alan Koppes, CP-1219

Mr. Koppes was licensed in Idaho as a CPA on March 27, 1979. He will be remembered by many for his long and dedicated commitment to youth soccer.

CPA Exam High Scores

Congratulations to the November 2001 Uniform CPA Examination high scoring candidates!

381 Chen, Fengyi
 377 Gramm, Ruth Marie
 360 Holmquist, Mattheww
 359 Sutton, Suzanne
 357 Van Order, Merritt L.
 353 Huffield, Autumn M.
 343 Berg, Robbi K.
 338 Kennedy-Grimm, B.
 327 Beazer, Taunya D.

Ms. Chen and Ms. Gramm placed among the top scores recorded nationwide. Congratulations Ladies!

BOARD STAFF:

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CPE Reporting

Congratulations to following licensees who were the first to submit their 2001 Continuing Professional Education reports:

CP-0608 Carl Christensen
 CP-0555 LaVern Gentry
 CP-1197 LeRoy Hayes
 CP-4034 Edwin Jolicoeur
 CP-3643 Michael Miller
 CP-2142 Kurt Stadlbauer

**BOARD MEMBERS:**

J. Thomas Jones, CPA
Chair, Gooding
(208) 934-8438

Lela D. "Kitty" Pumphrey, CPA
Vice-Chair, Pocatello
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Treasurer, Nampa
(208) 466-1284

Donald C. Etter
Public Member, Mtn. Home
(208)587-4596

Larry R. Bird, CPA
Secretary, Boise
(208) 342-9361

James R. Pilcher, CPA
CPA Member, Moscow
(208) 882-5547

R. Craig Rasmussen, CPA
CPA Member, Boise
(208) 375-1771

CPA EXAM FEE INCREASE

Due to the AICPA increased grading fee, the examination fee will increase with the November 2002 exam as follows:

Original Exam	\$225
Re-Exam all parts	\$200
Re-Exam 2 parts	\$130
Re-Exam 1 part	\$ 65



The Board also anticipates a significant fee increase with the onset of Computer Based Testing (CBT). To learn more about CBT, please see the article on Page 1 of this newsletter.

Annual License Renewal

LICENSE RENEWAL IS DUE BY JULY 1, 2002

Mid-May you will receive your annual license renewal form. Please contact the Board office if you have not received this form by June 1, 2002.

INCOMPLETE CPE AND FIRM REGISTRATION REQUIREMENTS.

All CPE and Firm Registration requirements must be met before your license will be renewed.

CPE

If you have not submitted your 2001 CPE report, late reporting fee, required documentation, or if you have not completed required CPE hours and/or extension penalty hours by the deadline, you will not be allowed to renew your license.

FIRM REGISTRATION

If you did not submit your 2001/2002 Firm Registration form, register with an Administering Organization, pay any late reporting fees, or, if required, have a Peer Review conducted, you will not be allowed to renew your license.

Licensees will answer the following question this year on their license renewal form:

Do you provide public accounting services?

If you answer No, you will not be required to register as a Firm and will not be sent a registration form.

If you answer Yes, a Firm Registration form will be mailed to you.

RENEWAL DEADLINE

Your License Renewal must be returned to the Idaho State Board of Accountancy no later than July 1, 2002.

A U.S. Postal Service postmark as of that date will be considered timely.

FINES AND CONSEQUENCES OF LATE RENEWAL

Late renewal fine is **\$50**. If the renewal fee and late fine are not submitted by August 1, 2002, the Board will begin suspension proceedings and may refuse to renew your license pursuant to *Idaho Code* Section 54-219. Late fine will not be waived for late or lost mail where the licensee has failed to apprise the Board office of an address change.

Licensees suspended for nonpayment of annual renewal fees and/or failure to complete CPE will be assessed a renewal fee of up to **\$500** in addition to an administrative fine of up to **\$1,000** when/if they apply for reinstatement.

LAPSED, INACTIVE, OR RETIRED LICENSURE:

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CPE RULE CHANGES

On July 1, 2002, the new rules regarding CPE will go into effect. One of the more noticeable changes concerns "non-interactive" self-study courses. In the new rules, acceptance of these courses will be phased out. Self-study courses will have to be "interactive" to qualify.

The effective dates for these changes are as follows:

For self-study courses being published for the first time after December 31, 2002—upon publication.

For self-study courses already in existence as of December 31, 2002—January 1, 2004.

CPE courses must meet the minimum standards of CPE as set forth in the Statement on Standards for Continuing Professional Education Programs jointly approved by NASBA and AICPA. A full copy of these standards will be available at our web site or by contacting the Board office.

Idaho State Board of Accountancy

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Spring 2002

We're on the web!
www.state.id.us/boa



Address Change? Let Us Know!

Licensees, please check the mailing address 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 _____ License # _____

Business Phone () _____ Residence Phone () _____

Please place a check mark in the box before the address you prefer we use.

Residence Address _____

City _____ State _____ Zip _____

Business Address _____

City _____ State _____ Zip _____

E-Mail Address _____

Employer Name _____ New? Yes No

Signature _____ Date _____

Mail to: Idaho State Board of Accountancy FAX : 208-334-2615

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Boise, Idaho 83720-0002

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