

Montana Board of Public Accountants

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In This Issue

CPE Documentation Requirements	2
Upcoming CPE Audit	2
CPE Audit and CPETracking System	3
New Officers Elected	4
Investigators and Expert Witnesses.....	4
Rule Amendments Proposed.....	5
Score Release Reminder.....	5



The Honorable Steve Bullock Governor of Montana

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Linda Harris, CPA
John Jacobsen, CPA
Ranetta Jones, CPA, Secretary
Dan Vuckovich, CPA
Kathleen VanDyke, Public Member
Lucinda "Cindy" Willis, Public Member

Executive Officer

Grace Berger

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NEW CPE REQUIREMENTS IN PLACE

Acceptable CPE is an approved method of delivery course that contributes directly to your knowledge, ability, and/or competence to perform your professional responsibilities. There are new CPE requirements in place for 2018. Several delivery methods were added to the "list" of acceptable CPE. Make sure you have the proper documentation for any CPE course you complete. (See related article on page 2.)

Beginning in 2018, you will be required to complete at least 50% of the basic CPE requirement in technical subjects. You will need to have at least 60 hours of the 120 hours of CPE in a rolling three-year period in technical subjects. Technical subjects are identified in rule as:

- | | |
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| (i) accounting, including governmental accounting; | (vii) economics; |
| (ii) auditing, including governmental auditing; | (viii) business law; |
| (iii) taxation; | (ix) finance; |
| (iv) management services; | (x) specialized knowledge (e.g., film industry, real estate, farming, etc.); and |
| (v) information technology; | (xi) ethics |
| (vi) statistics; | |

Using the CPETracking system to track your CPE and accurately identifying the subject of each course will assist you in monitoring your compliance with the new 50% technical requirement.

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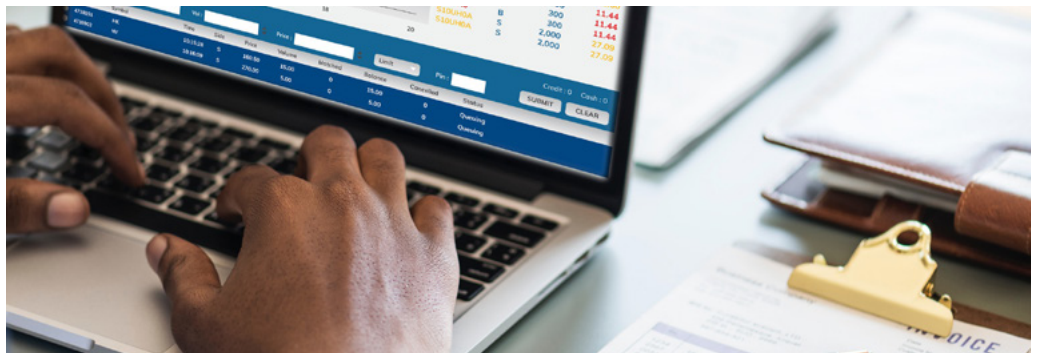
Upcoming CPE Audit

The Board of Public Accountants recently set the parameters for the upcoming CPE audit. NASBA will begin the 2015-2017 CPE audit July 1. The Board determined that a CPE audit will be conducted on 50% of the eligible licensees. The licensees selected for audit will be a random selection.

If you have an active permit license that was issued prior to 2015, you will be included in the eligible licensee pool and you could find yourself on the audit list. The law states that each year the list of audited licensees is randomly selected from the eligible pool. Even if you have been audited before, you could be selected for audit again. It is truly a random audit selection process each year. Getting selected one year does not remove you from the eligibility pool the next year.

Auditing 50% of the eligible licensees means that many licensees selected for audit will be repeats from last year. Now is the time to ensure that your CPE tracking system information is current. If you are selected, it will be a simple process to submit your record to the Board for audit.

Board rules require anyone selected for a CPE audit must submit their documentation through the [CPEtracking](#) system. Only submit your CPE record to the Board when you are ready for audit.



CPE DOCUMENTATION REQUIREMENTS

It is important for you to receive credit for all those hours of CPE you complete. One big reason CPE is denied during an audit is unacceptable completion documentation. It is your responsibility to ensure that the documentation you receive at the conclusion of a CPE event will meet documentation requirements. You will not receive credit for courses that do not include acceptable documentation.

Acceptable documentation requirements are established by [Board rule](#). The following is a summary of the documentation requirements for the various CPE delivery methods.

For group, self-study, nano-learning, or blended learning programs, acceptable documentation must include all of the following:

- participant's name
- course sponsor
- course title and/or description of content (you will need this to determine the subject category)
- date(s) of the course
- location of the course
- number of continuing education credit hours granted; and
- NASBA National Registry of CPE Sponsors ID (for all nano-learning, and self-study if applicable)

Documentation for technical committee sessions must include a written certificate including:

- nature of the activity (topic or specific new competency acquired), the items discussed, and the course/material considered
- dates of the learning activity
- number of CPE credits attributed to the learning activity

To receive credit for publications you must provide a copy of the publication that names you as author or contributor, a statement from you supporting the number of CPE credits claimed, AND the name and contact information of the independent reviewer(s) or publisher.

Documentation must be attached to the course on the CPEtracking system. Each course must be listed along with an accurate accounting of delivery method and subject.

For a summary of the CPE requirements, visit the [Board website](#).



CPE AUDIT & CPETRACKING SYSTEM

NASBA will begin the 2015-2017 CPE audit on behalf of the Board of Public Accountants in early July. The Board rules require that all licensees selected for CPE audit must submit the CPE documentation via the NASBA CPetracking system.

All permit holders, if you have not yet accessed the CPetracking system for the first time and need your login information resent, please send an email to dlibsdpac@mt.gov and your information will be emailed to you. If you have already accessed the tracking system and don't remember your password, you can select "forgot your password" and a password reset will be sent to your email address on file. Make sure your email address is correct by logging into the [citizen portal](#) and go to the "Account Management" area to update your email and other login information.

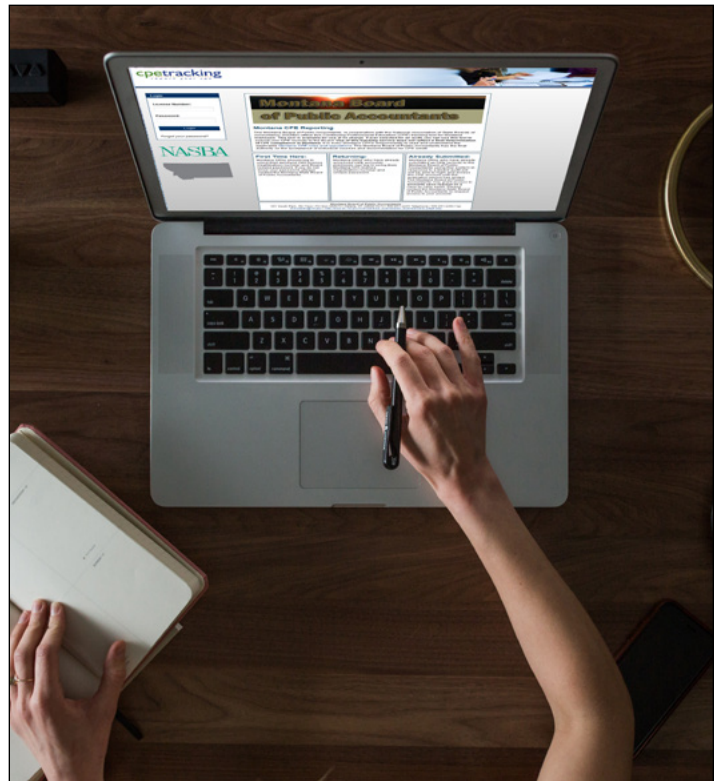
Inactive permit holders, you are not required to take CPE while your license is on inactive status. In the future if you want to reactivate your inactive permit, you will need to provide the CPE documentation through the [CPetracking system](#) to reactive your license. At the time of your reactivation request you will be provided with the CPetracking system login information. All licensees originally licensed with the Montana Board of Public Accountants in 2018 will receive the CPetracking system login information but note that your CPE requirement is 2019-2021.

A link to the CPetracking system can be found on the [Board website](#). Do not select "Submit to Board" unless you are selected for audit and you are ready to be audited. Once selected, "Submit to Board" will disable your tracking system account.

The MSCPA directly loads course information for all CPE completed through the State Society. You will not be required to provide any additional information for those CPE courses. Any course that was not completed through the MSCPA will require you to add the documentation to the CPetracking system to be complete.

The [CPetracking system](#) will be required if you are selected for a CPE audit. If audited, you will be required to report all of your CPE using the CPetracking system. Because CPE is a 3-year requirement, if you are selected for audit, you will be required to have the past 3 years (2015-2017) of CPE on the CPetracking system. It is a good idea to add courses as you complete them to eliminate the mad scramble after receiving a notification of audit.

Remember, the system is not just available to those licensees selected for CPE audit. All permit holders have been provided an account. This system is a great tool in managing your CPE and is available 24/7. At any time you can add courses as you complete them, upload course



completion documentation, and track your compliance with meeting the mandatory 120 hours of CPE (with a subset of 2 hours of ethics) in a 3-year period. We suggest that even if you aren't selected for CPE audit this year, and if you haven't already, that you begin tracking your CPE on the system. If you are selected for audit in the future, you will already have the courses and documentation loaded and ready to submit.

Permit Holder benefits include:

- Records are submitted and stored online, reducing the need for paper filing.
- Credits are entered using the basic online form and completion documentation can be attached.
- Accounts are available online for all permit holders to access and add/edit records until they are required to submit their records to the Board for audit.
- Permit holders can download and export the records they have entered into a spreadsheet for personal record keeping or choose a printer-friendly version of their CPE records.
- CPE credits are submitted to the Board at the click of a button.

NEW OFFICERS ELECTED



Mike Huotte

At their May meeting, the Board of Public Accountants elected Mike Huotte, CPA, as Chair for the upcoming year. Mike will take over July 1.

Mike was born and raised in Anaconda. He graduated from Montana Tech with a BS in Business Information and Technology, and a minor in Computer Science. He received his CPA license in 2009. He worked for Anderson ZurMuehlen & CO., P.C. for 3 ½ years with a primary focus on audit of non-profits, single audits, and audits of healthcare organizations. Mike is currently employed with the Montana Department of Transportation as the District Financial Officer for the Butte District.

In addition to his “day job,” and being a member of the Board, Mike serves several community boards.

Mike and his wife and kids reside in Anaconda.

Ranetta Jones, CPA, was elected Secretary. Ranetta is a Billings native. She graduated from MSU-B and received her CPA license in 1992. Ranetta worked for Jackson, Fekety, & Odle, a small public accounting firm for 19 years, focusing on business and personal tax, small to medium business operational accounting including accounting software support, trust and estate tax and non-profits including audits.

For the past 11 years she has worked for Sibanye-Stillwater Mining Company as the tax analyst, primarily responsible

for US, Montana, Canadian, Argentinian, and Chilean income taxation in addition to property tax and mining severance taxes. She also is the lead on ASC 740, tax provisioning, and works closely with accounting and financial reporting personnel at Stillwater to provide SEC and SOX audit support. Additionally Ranetta works with treasury and investment administration and business insurance procurement.

Ranetta is a member of MSCPA, AICPA, and AFWA, where she has served as a National committee member, local Chapter President, and Regional Conference Organizer. Her involvement in the community includes Treasurer of the Community Crime Prevention Council in Billings, President of the Big Sky Exchange Club, and has taught Sunday School and AWANA for over a decade.

She and her husband Al still reside in Billings with their corgi.

We congratulate both Mike and Ranetta.

Do We Have Your Current Information?

It is important that the Board office has your current contact information. Log on to the Department of Labor & Industry [citizen portal](#) (where you renew your license) and go to the “Account Management” area. You can update your mailing address, email, and any other login information. To continue to receive important notices from the Board such as renewal notices or the soon to be sent CPE audit notification, it is essential that you maintain this information.

INVESTIGATORS AND EXPERT WITNESSES WANTED!

Investigators and expert witnesses are critical to the enforcement process. However, many Boards of Accountancy do not have experienced accounting investigators and experts affiliated with the boards.

In an effort to assist executive directors locate the appropriate investigator or expert witness for their particular situation, NASBA maintains a database of investigators and expert witnesses. The larger the database of qualified investigators and expert witnesses, the more effective the enforcement process becomes. That’s why NASBA is asking for your help in identifying individuals like yourself to add to the pool.

What You Will Need to Apply

To apply to be included in either pool, you will need the following information and materials:

- License information for each jurisdiction in which you are licensed

- A list of your areas of expertise, chosen from [these options](#)
- Your resume, in an uploadable format (pdf or Word file)
- Your hourly compensation rate
- Your expense policy
- Be sure to read the NASBA Agreement prior to clicking Submit.

Application Links

If you are interested in applying or know someone with excellent qualifications who should consider applying, here are links to the applications:

[Investigator Application](#)

[Expert Witness Application](#)

Note: Information on the individuals approved for inclusion in the database will be released to Board of Accountancy executive directors upon request.

RULE AMENDMENTS PROPOSED

The Board is proposing amendments to current rules. You will receive an email notification when the proposed amendments are published. You will be able to view the amendments and learn how to make public comments on the [Board website](#). Most of the proposed changes are housekeeping in nature and will not have any impact on current licensees.

The removal of the final references to certificate only level of licensing and the associated fee is being removed. Peer review rules that specifically reference MSPCA as an administering entity are also being removed. A broader reference to the AICPA peer review program will remain. (Please see related article)

The Board is proposing that application requirements for those who hold an active, current, unrestricted license in another substantially equivalent jurisdiction or who hold a foreign credential issued by a jurisdiction with a Mutual Recognition Agreement (MRA) with NASBA/AICPA will be abbreviated. If someone has already met similar requirements for licensure/credentialing and are current and in good standing, a simplified application process will aid in licensure.



As you have read in past newsletters, the past few CPE audit results have been disappointing. The Board is proposing amendments to the CPE Extension or Hardship Exception rule (ARM 24.201.2154) that will streamline the process and eliminate the fee. This is intended to increase compliance with the CPE requirements, encourage requests for extensions when necessary, and avoid a failed audit.

The Board is also incorporating firms practicing under practice privilege (mobility) into the enforcement arena to allow the Board to take action when a firm practicing under mobility violates Montana requirements.

Peer Review

MSPCA informed the Board that the State Society will no longer administer the AICPA Peer Review program. All peer reviews formerly performed through the MSPCA transitioned to the Nevada Society of CPA (NVCPA) on May 31.

NVCPA contact information is on the Board website.

You can get more information on transitioning to NVCPA by contacting Kary Arnold, Finance & Peer Review Manager of the NVCPA at:

Telephone: 775-826-6800

Email: karnold@nevadacpa.org

Website: <https://www.nevadacpa.org/peer-review>

IMPORTANT SCORE RELEASE REMINDER

The original AUD, FAR and REG target score release date for the Q2 testing window has changed from June 27, 2018 to June 28, 2018. The BEC remains June 29, 2018.

Scores for the CPA Exam will be released by NASBA to candidates and state boards of accountancy based upon the target score release dates found on the [AICPA website](#).

Note: Some boards of accountancy require at least one day beyond the published target release date in the table to process and release exam scores.

Keep in mind:

- All dates and times are based on Eastern Standard Time zone.
- For the vast majority of candidates, the AICPA receives the Examination data files from Prometric within 24 hours after a candidate completes the Exam.
- The scores for the Examination data files



received after the AICPA cutoff dates will be in the subsequent scheduled target score release.

- Some candidates who take the BEC section might receive their scores approximately one week following the target release date due to additional analysis that might be required for the written communication tasks.

We encourage candidates to visit the [Psychometrics and Scoring page](#) on the Exams website at www.aicpa.org/cpa-exam for information about score release and the scoring process.