

Nebraska State Board of Public Accountancy

The Board is responsible for licensing and regulating Certified Public Accountants (CPAs) in Nebraska

2012 ANNUAL LETTER



MESSAGE FROM BOARD CHAIR, *Mr. Michael Wassinger, CPA*

As new Chair of the Board for 2012-2013, let me give you a little background. As an audit partner with McDermott & Miller, P.C., I have been in public accounting for over 30 years and have always been proud to be a CPA. Most of all I enjoy representing and interacting with my clients. I sincerely appreciate the opportunity I've had to work with fellow CPAs and continue to grow in knowledge from those relationships. My wife, Gladys and I live in Hastings. Our daughter, Sarah, lives in LaVista.

I have been a State Board Member for the last 6 years appointed to two terms by Governor Dave Heineman. Before becoming a Board member I participated on the Board's Quality Enhancement Program (QEP) Committee, have assisted in the review of submitted reports for the QEP for the last 12 years, and also serve as a Peer Reviewer for the AICPA Peer Review Program. In 2010, I, along with several other longtime QEP members, were appointed to the QEP Task Force, to review and make recommendations to the Board regarding the current state of the QEP program. Under the leadership of the Committee's chair (former Board member) Ms. Anne Fuhrman, CPA, the Task Force made several recommendations including ending the Board's current QEP program and requiring CPA firms who provide attest services to complete a review under the AICPA Peer Review Program or under an equivalent program. I supported the recommendations based on experiences with the programs including concerns of the current QEP program. The QEP program requires firms to submit hand picked reports, for review by the QEP and without looking at supporting documentation. With all the recent and ongoing changes in professional standards, the committee had concerns that merely looking at reports did not accomplish the QEP purpose - that purpose being to improve the quality of financial reporting and to assure the public can rely on the fairness of the reports issued. The Board approved the recommendations and new regulations are being drafted. However, this initiative is delayed and an opinion has been submitted to the Attorney General's Office for clarification of whether the program needs to be placed within the Public Accountancy Act. No changes will be made until a public hearing is held to gather your input and the public's. We will announce this hearing when the time comes. Until then, do not hesitate to write the Board with your thoughts.

INSIDE

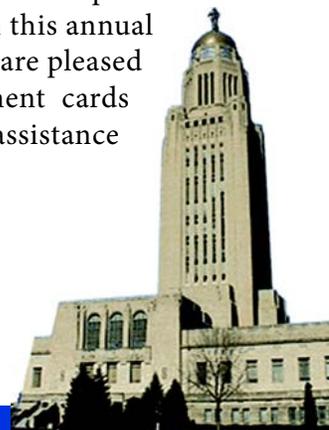
Table of Contents:

Letter from Board Chair.....	1
Letter from Executive Director.....	2
Committee Reports:	
CPE.....	5
Licensing.....	6
QEP.....	6
Exam & Education.....	7
Enforcement.....	8
Board 2012 FY Budget Analysis....	10
CPA's by the Numbers.....	11

I can assure you the Board is in good hands at this time. I am proud of our members including the new ones you will meet in this annual letter. We continue to monitor the work of our staff and are pleased with the overall positive feedback received on comment cards submitted. Never hesitate to let us know if we can be of assistance to you and hope you enjoy our 2012 Annual Letter.

Sincerely,

Michael W. Wassinger
Mike Wassinger, CPA



FROM THE EXECUTIVE DIRECTOR, *Dan Sweetwood:*

If you have not noticed there have been a few changes at your State Board this last year. They include:

- The addition of new Board members **Michelle Stromp**, CPA, from KPMG and **Mike McClure**, CPA, from BMG, CPAs and **Ms. Jan Glenn** from Educational Service Unit #3. They bring a wealth of talent to the Board. Ms. Stromp brings audit experience along with her longtime association with KPMG. Mr. McClure has been a longtime Peer Reviewer for the AICPA Peer Review Program and will be of great assistance as the Board moves to require peer reviews be completed by CPA firms providing attest services. Ms. Glenn, a financial officer for ESU #3, and a holder of an Inactive Registration by the Board, brings a financial perspective from education and government to the Board. Ms. Stromp was assigned to the Enforcement Committee and the Education & Examination Committee. Mr. McClure was assigned to the Continuing Professional Education Committee and the Quality Enhancement Program Committee. Ms. Glenn is assigned to the Licensing Committee and the Education & Examination Committee.
- With new Board members appointed that means others have completed their (limited) two four year terms. Completing successful terms are **Ms. Kate King Wu**, CPA and **Mr. Thomas Obrist**, CPA. If you run into one of those mentioned above, please take the time to thank them for their service to the citizens of Nebraska and your chosen profession.
- The Board lost longtime staff employee **Ms. Kelly Ebert** to a promotion within State Government (see below). We miss her but are proud of her accomplishments! Joining Board staff is **Ms. Heather Myers** who brings a perspective from a small CPA firm. She is a fast learner and is getting ramped up on CPE, QEP, and Board financials. Please welcome her when you call the office!
- A new Board experience requirement is anticipated under Legislative Bill 27 submitted before the 2013 Legislative Session (see article on page 5). This was accomplished with the assistance of volunteers as mentioned in the article. It has been the Board's policy on important matters that could have a substantial impact on your profession to receive feedback from others before making a decision. The Experience Work Group (EWG) was a great example.
- Board Member **Douglas Skiles**, CPA, from the McPherron, Skiles, & Loop, was appointed to the National Association of State Boards of Accountancy (NASBA) as Central Regional Director and a member of the Board of Directors. This opportunity gives Mr. Skiles a chance to listen to the concerns of our neighbors while participating on the national stage as a representative from Nebraska. Congratulations Doug!

Our goal in providing this annual letter is to provide you information to assist in keeping you in compliance with Board requirements and also to keep you abreast of Board activities. I can assure you your current Board is working effectively as possible to answer your questions and be responsive to issues that might effect your chosen profession. Board members take a lot of time to participate on committee conference calls, attend Board meetings, and travel to NASBA conferences to assist in addressing these issues. As true professionals, they want to be well positioned before making decisions that effect the accounting profession and you as a CPA.

Never hesitate to contact the Board office with any questions and/or concerns as we move through 2013: 402-471-3595 or Dan.Sweetwood@nebraska.gov. Again, take care and have a great year!

Take care,



Dan Sweetwood

Dan Sweetwood



State Board Staff Members, Ms. Heather Myers, Ms. Jo Lowe, and Mr. Dan Sweetwood.



Executive Director Sweetwood, Kelly Ebert, and Chair Mike Wassinger.

Longtime Board Staff Employee Leaves Board

Ms. Kelly Ebert, a twelve year employee of the State Board accepted an accounting position with the Nebraska Legislative Council. Ms. Ebert was the coordinator of the Board's Continuing Professional Education (CPE) program and the Quality Enhancement Program. She also handled the accounting and payroll functions. "We are very proud of Kelly and her accomplishments while employed by the Board. Kelly received her Bachelors Degree in Business and participated in various national panels and was always well thought of by Board members and her peers from other State Boards. We will truly miss her but welcome her promotion and wish her continued success" commented Board Executive Director Dan Sweetwood.



CHANGES TO THE STATE BOARD

Officers, New Board Members, Committee Appointments announced by the Nebraska State Board of Public Accountancy for 2012/2013

The Nebraska State Board of Public Accountancy elected Member **Mr. Michael W. Wassinger, CPA, Hastings, Nebraska** as Chair for 2012-2013. Mr. Wassinger is currently a shareholder in the CPA firm McDermott & Miller, P.C. and located in the Hastings, NE office. He has practiced public accounting for over 28 years. He is a graduate of the University of Nebraska with a Bachelors Degree in Business Administration. Wassinger has been a member of the Board since 2006. He has served as the Board's Vice-Chair for the last three years.

Mr. Bernie Gutschewski, Omaha, Nebraska was elected Vice-Chair of the Board. Mr. Gutschewski is retired from the Union Pacific Corporation as Vice President of Taxes. He holds a business/ accounting and law degree from Creighton University. He also is a certificate holder and current inactive registrant with the Board. Mr. Gutschewski has been a member of the Board since 2010.



Ms. Lori J. Druse, CPA, Lincoln, Nebraska was elected the Board Secretary. Ms. Druse is currently an Audit Director with Deloitte & Touche LLP and has 20 years of public accounting experience. She is a graduate with honors from the University of Nebraska at Kearney with a degree in Business Administration with an emphasis in Accounting. Ms. Druse has been a member of the Board since 2011.

Ms. Jan Glenn, LaVista, Nebraska has been appointed by Governor Dave Heineman to serve a four-year term as a public member on the State Board. Ms. Glenn is currently the Director, Business Services at Educational Service Unit #3 since 2002. She has served in accounting and managerial roles over the past 27 years and has worked in the education sector since 1999. She is a graduate of the University of Nebraska with a degree in Business Administration with an emphasis in Accounting and is a certificate holder and current inactive registrant with the Board.

Ms. Michele M. Stromp, CPA, Elkhorn, Nebraska has been recently appointed by Governor Dave Heineman to serve a four-year term as an active permit holder (CPA) on the State Board. Ms. Stromp is currently an audit partner with KPMG LLP located in Omaha and has over 23 years of experience providing financial statement audit services. She is a graduate of the University of Nebraska at Omaha with a degree in Business Administration with an emphasis in Accounting.

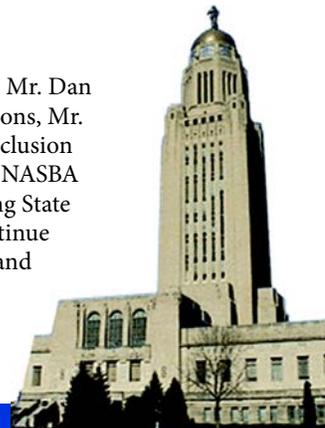
Mr. Michael S. McClure, CPA, Lincoln, Nebraska has been recently appointed by Governor Dave Heineman to serve a four-year term as an active permit holder (CPA) on the State Board. Mr. McClure is currently a partner with BMG Certified Public Accountants, LLP in Lincoln and has over 34 years of public accounting experience. Along with other accounting services, he provides peer reviews for various accounting firms in Nebraska and surrounding states. In 2011 Mr. McClure received the Nebraska Society of CPAs Distinguished Service to the Profession Award. He is a graduate of the University of Nebraska.

Ms. Stromp replaces **Ms. Kate King Wu, CPA, Omaha, Nebraska** who served two four-year terms on the State Board. Mr. McClure replaces **Mr. Thomas M. Obrist, CPA, Lincoln, Nebraska** who also served two four-year terms on the State Board. Ms. King Wu and Mr. Obrist were recognized for their service to the citizens of Nebraska and to their profession at the Board's September 21, 2012 meeting.

Mr. Wassinger assumed the Chair from **Mr. Douglas W. Skiles, CPA, McCook, Nebraska** who served three years as Chair of the State Board. Mr. Skiles was recognized for his service as Chair at the Board's September 21, 2012 meeting.



Mr. Dan Sweetwood, Ms. Jan Glenn, Ms. Lori Druse, Mr. Dan Dustin, NASBA Vice President for State Board Relations, Mr. Doug Skiles, and Mr. Mike Wassinger visit at the conclusion of the Board's January meeting. Mr. Dustin discussed NASBA initiatives in 2013 before the Board including assisting State Boards with CPE audits, legislative items, and to continue to be a strong voice for State Boards on the national and international level.



NEBRASKA CPA STATUS

Nebbraska is a two-tiered state. In the first tier, a Certificate Number is issued permanently to the candidate after successful completion of the U.S. Uniform CPA Examination. This person is known as a Certificate Holder in Nebraska and must file an annual registration with our office. Although considered a Certificate Holder, they have no status as a CPA within Nebraska.

After completion of two years of public accounting experience* within a CPA firm under the direction of a CPA, a Certificate Holder can file an application for issuance of an Active Permit to Practice that allows them to hold themselves out to the public as a CPA and practice public accountancy. A license number is issued with their Active Permit to Practice. The permit number is separate from their permanent Certificate number and changes every two years upon successful completion of 80 hours of required Continuing Professional Education.

If an Active Permit Holder decides to forgo their CPE education, they can elect to register with the Board as an Inactive Registrant and are issued a registration number. An Inactive Registrant cannot practice public accountancy within Nebraska.

Active CPAs can be verified on the Board's website: <http://www.nbpa.ne.gov/search/>

Please keep the following status descriptions in mind:

Certificate Holder:

- "Passed the CPA Exam" for use on resumes only
- Cannot practice public accountancy
- Cannot hold out using the title CPA

Permit Holder:

- Use the title "CPA" (hold out)
- Practice public accountancy

Inactive registrant:

- Cannot practice public accountancy
- Cannot hold out as a CPA
- Must use the disclaimer: "CPA (Inactive Registrant)"

***Legislation introduced in January 2013 may change the experience requirement. Watch the Board's website for changes. See related article elsewhere in the Annual Letter.**

***The Board office is also slated to move during 2013 to the 1526 Building (across from the Capitol, previously the Assurity Building). Stay tuned!**

Update on Online Programs

The Board is proud to provide CPAs, Inactive Registrants, and CPA firms the ability to renew their permits and registrations online by going to www.nbpa.ne.gov and clicking on the applicable application during May and June. CPAs can also submit their required continuing education submissions online throughout the entire year. The online submissions have provided Board staff with less paperwork to process and decreased Board storage requirements. Since these programs are fairly new, your feedback is essential as we continue to review and enhance the online processes. Please contact staff members Jo Lowe (renewals) or Heather Myers (CPE) with your thoughts at Jo.Lowe@nebraska.gov or Heather.Myers@nebraska.gov or call 1-800-564-6111 in Nebraska.

BOARD EXPERIENCE REQUIREMENT TO CHANGE

In November 2010 the Board was approached by members of a private company financial team regarding the Board's experience requirement (two-years within a CPA firm under supervision of a CPA). They were concerned based on their young employees registering in other states but more importantly the need for accounting professionals within their ranks the ability to obtain the CPA designation. The Board had heard before from others regarding the current experience requirement under PAA Section 1-136.02; however, no sustained review or action was taken until now. Basically, there was comfort in the current requirement for CPAs to gather only public accounting experience even though the Uniform Accountancy Act (UAA) several years ago recommended other forms of experience should count after one year.

The Board decided to pull together a work group and gather varied opinions and research the issues based on what would be best in Nebraska. Basically, it was time for a hard review of the experience requirement. The vast majority of other states were aligned with the UAA requirement.

Board Chair Douglas Skiles, CPA, called together the Experience Work Group (EWG) that consisted of himself as Chair, State Board Members Tom Obrist, Jim Rieker, and Bernie Gutschewski, State Society leadership including John Fruhwirth, Julie Bauman, Rand Hansen and Dan Vodvarka. Other members included Dr. Jack Armitage, accounting professor from UNO; Mr. Allen Cooper, Vice President of Internal Audit for ConAgra; Mr. Ron Carlson, State of Nebraska/DAS Accounting; and Mr. Mike Rayor, Parker Hannifin Corporation, McCook.

After several meetings of good, hardnosed discussion and the review of several papers and current statistics, regulations, and requirements from the 55 State Boards, the final consensus of the group was that the requirements should be amended to allow industry and academia experience to apply. The Board additionally had a serious discussion on the matter at their July 2012 Board meeting and ultimately agreed with the EWG recommendation. It was agreed that public accounting experience would remain at two years while other forms would require three years. The Nebraska Society of CPAs Board also agreed with the change and in January 2013 Legislative Bill 27 was submitted before the Legislature for consideration by Senator Galen Hadley from Kearney. On February 4, 2013 the Bill was heard before the Banking, Commerce, and Industry committee. It is anticipated the Bill will pass and will become law later this year.

CONTINUING PROFESSIONAL EDUCATION (CPE) COMMITTEE:

REMINDER: PERSONAL DEVELOPMENT COURSES FOR CPE TO COUNT 50%

The Nebraska State Board of Public Accountancy (Board) at their regularly scheduled Board Meeting on July 15, 2011 agreed with the Board's CPE Committee to generally allow Continuing Professional Education (CPE) courses considered *personal development* to count 50% towards the hours taken. For example, a four hour course taken in leadership techniques would count two hours (50%) towards the Board's CPE requirement.

It is highly recommended CPAs submit a Program Qualification Form (PQF) to determine the number of hours a program will count towards the CPE requirement. The PQF is available on the Board's website at www.nbpa.ne.gov under CPE. If you have any questions, contact the Board office at (402) 471-3595 or email Heather.Myers@nebraska.gov.

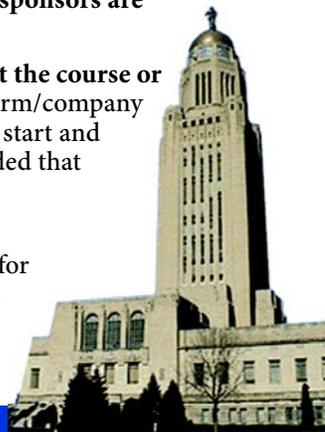
2012 was an ANOTHER BIG YEAR for submitting CPE hours online. Nearly 90% of CPAs submitted online. **The ability to submit courses online can be used throughout the year. Please use this tool to track your CPE hours on an ongoing basis.** Your password to report CPE online will remain the same for online renewal of your permit to practice in May or June. It is very important to keep that password.

It is very important to make sure you are tracking your CPE hours to confirm you have enough hours in your two-year licensing period. It is important that you complete your CPE hours within the two year period. If not, you must request a formal extension that will require you to return to your regular two year period. This creates more work for you and makes it harder for you to get back on track! The Board discourages formal extensions if at all possible.

The Committee reviewed 699 courses. In addition to reviewing the courses submitted through Program Qualification forms, the Committee allows National Association of State Boards (NASBA) approved courses. All courses and sponsors are reviewed annually.

If your Firm/Company holds in-house training courses, please make sure there is a sign-in sheet present at the course or provide certificates of completion. The sign-in sheet/certificate of completion must be on letterhead of the firm/company with all of the details of the course. Please include the title of the course, date of course, firm/company name, start and end times, and recommended number of hours. When you provide in-house training, it is highly recommended that you go through the pre-approval process using the Program Qualification Form. The pre-approval process is completing the Program Qualification Form which is located on our website.

If you are selected to go through an audit for your CPE hours, you will need to provide proof of attendance for each course submitted to our office during that 2-year reporting period. Thus, the need for completed sign-in sheets and certificates of completion. Please refer to the CPE Guidelines for further information regarding the audit process at <http://www.nbpa.ne.gov/pdf/cpe-guidelines.pdf>.



LICENSING COMMITTEE:

Online renewal applications for 2012 were completed by 80% of the licensed CPAs, inactive registrants, and registered firms. Paying by credit card saved the Board staff many hours of opening mail and preparing check deposits.

Firm names continue to be an issue for Committee review. Please refer to the Firm Guidelines, available on the Board's website at <http://www.nbpa.ne.gov/pdf/Guidelines%20for%20Firms%20formatted.pdf>, if you intend to change your firm name. The Committee's direction has been to protect the public by approving names that are not misleading as to services provided, number of CPAs employed, and other potentially confusing terminology.

Certificates of Registration/Organization are annually confusing to firms. Certificates are for the Nebraska Secretary of State (SOS) office to validate your CPA **professional** business as permissible to do business in Nebraska. The Board provides two certificates to document your firm's current licensed status with the Board. Certificates are a function of the SOS's office, not the Board. However, you must ALSO renew your firm permit annually with the Board. Often the two processes are confused. The certificate of registration/organization is based on your original date of incorporation with the SOS. Sometimes they occur at the same time. Yes, you must do BOTH.

CPA's cannot just go away! Licensure does not end when you no longer reside in the state, no longer have clients or a business, or retire. You must complete the appropriate form. The Committee annually recommends revocation of certificates of permit holders, who have not renewed their active permit for three years per PAA 1-137 (9), following petition and notice of hearing. Please check the website or contact the Board office for change of status options.

Inactive Status means you cannot hold out as a CPA per Title 288 Rules Chapter 3 001.09. Any representation that may mislead the public could come under scrutiny by the Board.

Failure to Renew After Three Years. The Board is in the process of revoking certificates of Active and **Inactive registrants** who have not renewed for three years. In 2012, certificates of 138 inactive registrants were revoked following notice and public hearing.

Mobility. If you have questions regarding Mobility go to www.nasba.org "Mobility" and click on the state for an update on their Mobility provisions. Also, you can telephone and/or access each states website by going to www.nasba.org "Members" for additional information.

QUALITY ENHANCEMENT PROGRAM:

The Most Common Problems on 2012 Reports (audits, reviews, and compilations)

The committee determined the following five issues were the most common problems:

1. Compilation/Review reports wording not in accordance with SSARS 19.
2. No disclosure on the tax years that remain subject to examination by major tax jurisdictions.
3. Subsequent events disclosures missing or incomplete.
4. Governmental reports – Inconsistent wording on GAS reports and use of outdated audit reports.
5. Fair Values – Failure to address omission of fair value disclosures or investments not carried at fair value.

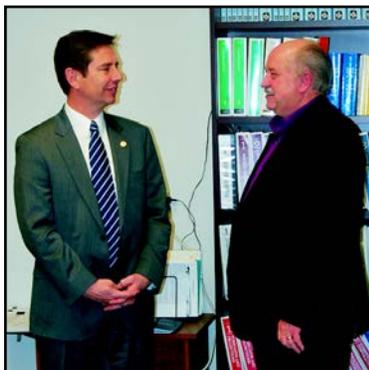
Reminders from the Committee:

- Review your internal quality control procedures as related to reports being issued; the licensed owner of the firm is ultimately responsible for all reports issued by the firm.
- When providing services to specialized industries, applicable CPE courses and reference libraries are important.
- A copy of the actual financial statements and accountant's report issued to the client should be maintained in your files as part of the engagement documentation. The file copy should be either a hard copy or a PDF copy, rather than an Excel or Word file could inadvertently be altered.

WE NEED YOUR HELP!

2013 QEP reviewers are needed. You can earn up to 8 CPE hours a day and your firm will receive \$100 per day to help defray expenses. QEP review is a great educational tool to take back to your practice. Enclosed is an application if you wish to participate.

Thank you to QEP reviewers for making our program a success.



2013 BOARD MEETINGS:

March 22, 2013 at 8:30 am

May 16-17 at 8:30 am

July 18-19 at 8:30 am

September 19-20 at 8:30 am

November 14-15 at 8:30 am

Mr. Dan Dustin, NASBA Vice President, and Mr. Douglas Skiles, NASBA Regional Director discuss items for their next NASBA meeting.

EDUCATION & EXAM COMMITTEE (E & E):

In 2011, Nebraska ranked thirteenth in national first-time CPA Exam pass rate percentage at 58.5% which was up from 56.25% when Nebraska was ranked third nationally in 2009! That means 58% of Nebraska candidates passed the exam the first time as compared to paper and pencil first time pass rates of 23%. Congratulations to candidates and the educators who prepared them so well! Overall, the computer based CPA exam has been very successful and well accepted by candidates. The Committee wants to remind candidates sitting for the exam to review the CPA exam tutorial available on www.CPA-Exam.org for mechanical processes involved in the online exam.

There are four Nebraska CPA exam sites for candidates: Kearney, Lincoln, Omaha, and Scottsbluff.

The Education Advisory Committee (EAC), made up of educational institution representatives and CPAs, met at Creighton University, Omaha NE, October 19, 2012. Creighton University Business College Dean welcomed the attendees. Approximately 47 students and educators attended including representatives from Doane College, UNO, Peru State College, Wayne State College, York College, Bellevue University, UNL, and the Nebraska Society, in addition to the EAC Committee members and State Board members.



The EAC agenda included:

Exam Update: Ms. Pat Hartman, Director of CPAES, gave an update on the CPA exam basics, current trends in the exam, and reviewed changes to the exam. She directed attendees to the AICPA website link that lists the current “Content and Skill Specifications for the Uniform CPA Examination” and reviewed the updates. Hartman also explained the international administration of the U.S. Uniform CPA Examination.

Pathways Commission Report. Jack Krogstad, PhD, Pathways Commission Member and Creighton Accounting professor, reviewed the Commission process and recommendations, available through <http://www.nasba.org/blog/2012/08/13/pathways-commission-report-released/>. Next steps for Nebraska will be considered at future meetings.



Accounting students attend the EAC committee meeting.



Dr. Jack Krogstad reviews the Pathways Commission Report



EMAIL BLASTS COMING FROM THE STATE BOARD:

Please keep the Board up to date regarding your email addresses. Email reminders and notifications are now the Board's communication tool including this Annual Letter! Other information traditionally sent via regular mail may also be sent via email to help the Board save printing and postage expense. If you do not have an email address, please notify the Board office. It is also important to keep the Board current with address and employer information by going to the Board's website at www.nbpa.ne.gov/ front page to notify of any changes.



Providing Client Records

The Enforcement Committee regularly handles cases where the issue of providing client records comes into play. Simply, it is best for practitioners to review the Board's regulations within the Rules of Professional Conduct within Chapter 5. Some FAQ's regarding providing records:

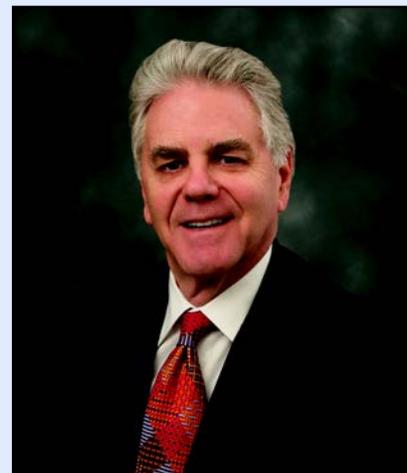
- 1. Do I have to provide the requested records when I have not received payment for my services?**
Yes, the practitioner must provide the records. A reasonable fee can be charged for providing the records.
- 2. Other professional standards, such as the AICPA, indicate I do not have to provide the records until I receive payment. Do I still have to provide the records?**
Yes, if you are providing professional services within Nebraska you must follow the rules of the Board.
- 3. Do I have to provide copies of working papers?**
Yes, to the extent that such working papers include records which would ordinarily constitute part of the client's books and records and are not otherwise available to the client.
- 4. What should I do if I am unclear on what records should be provided?**
Go to www.nbpa.ne.gov and click on the Rules & Regulations and then click on "Title 288" then click on Chapter 5/ Rules of Professional Conduct Chapter 5.002/ Records. Review the regulations. If you still need assistance call our office at (402) 471-3595 or email Dan.Sweetwood@Nebraska.gov.

Your Enforcement Committee continues to review complaints submitted to the Board by the public, CPAs, and other agencies. Please contact Dan Sweetwood at (402) 471-3595 or Dan.Sweetwood@nebraska.gov.

Further information regarding enforcement actions by the Board can be viewed on the Board's website www.nbpa.ne.gov left banner "Disciplinary Search" or by going to "Board News" and reviewing "archives" under Enforcement Actions for official announcements. Any questions and/or concerns pertaining to enforcement matters before the Board can be addressed to Dan Sweetwood, Executive Director by sending email to Dan.Sweetwood@Nebraska.gov or call (402) 471-3595.

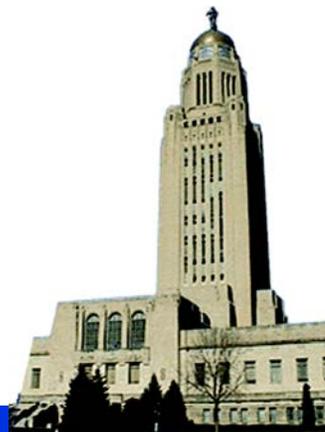
Zacharia Term Coming to an End

Longtime Board Member and CPA Richard Zacharia's term as a Board member ends September 2013. Mr. Zacharia has chaired the Enforcement Committee of the Board for almost ten years. *"Dick has been a beacon of common sense while serving as Chair of this most important committee of the Board while never losing sight of the public perspective in the review of complaints before the Board. I observed him "wrestle" with tough decisions over the years while applying his experience as a true professional but always attempting to land in the most fair position that could be taken in the matter"* according to Board Executive Director Dan Sweetwood. Take the time to thank Dick the next time you see him for his public service on the Board!



- 1.) **Check for the current NBPA application form:** Be sure to check the NBPA website for the most current application forms. In the past two years, fees have changed for some applications. As a state agency, the Board cannot accept checks for the wrong amount. The application and incorrect fee check must be returned to the applicant, delaying the application process.
- 2.) **Changes to the Rules and Regulations!** During the year issues may arise that result in revisions to the Board's Title 288 Rules and Regulations. Please be aware that "things change". The Board office will attempt to inform you of changes through the annual letter, the Nebraska Society of CPAs newsletter, or other means. 2010 Title 288 Rule changes will cover mobility, CPE, and important enforcement procedural changes.
- 3.) **How many hours do I need to renew my permit?** CPE hours required for renewal of your permit to practice equal 80 hours over TWO years, including 4 hours of ethics. Do not confuse the required 80 hours over two years with other derivatives such as 40 hours per year, or with 20 hours of self study. Ethics hours may be taken in small increments, not all in one four hour block. CPE must be reported by January 31 each year. **CPE reporting is available throughout the year** by using the "CPE Online Reporting" on the home page of NBPA: <http://www.nbpa.ne.gov>. Please refer to the most recent edition of the CPE Guidelines on the Board's website for specific requirements.
- 4.) **How do I go from inactive registration status to active permit holder?** There is a reinstatement application for this process. The application should be submitted to our office when all required hours are completed. Reinstatement from inactive registrant to active permit holder requires communication with the Board office. Based on your birth year, your licensing period does NOT change, and effects the years for CPE reinstatement reporting. Reinstatement requires careful timing, and Board staff will be happy to assist you through the process. Please do not try to submit CPE hours if you are "inactive". You must keep track of those hours to submit with your reinstatement application.
- 5.) **Reminder:** Title 288 Rules Chapter 5 007.06 state that "Each certificate holder shall notify the Board in writing (or via the Board's website) within 30 days of any **change of address or change of employment**".
- 6.) **How do I report problems or issues experienced with CPA Exam Services (CPAES) in the CPA exam process?** Please contact the Board office if you have serious complaints during the exam process that have not been resolved through the Candidate Care service.
- 7.) **There is a difference:** The Nebraska **STATE BOARD of Public Accountancy** is a regulatory agency – think "permits". The **Nebraska SOCIETY** is a membership organization – think "CPE". Often people change their contact information. **Please be sure to change your information with BOTH entities! Not all individuals are connected to BOTH organizations.**

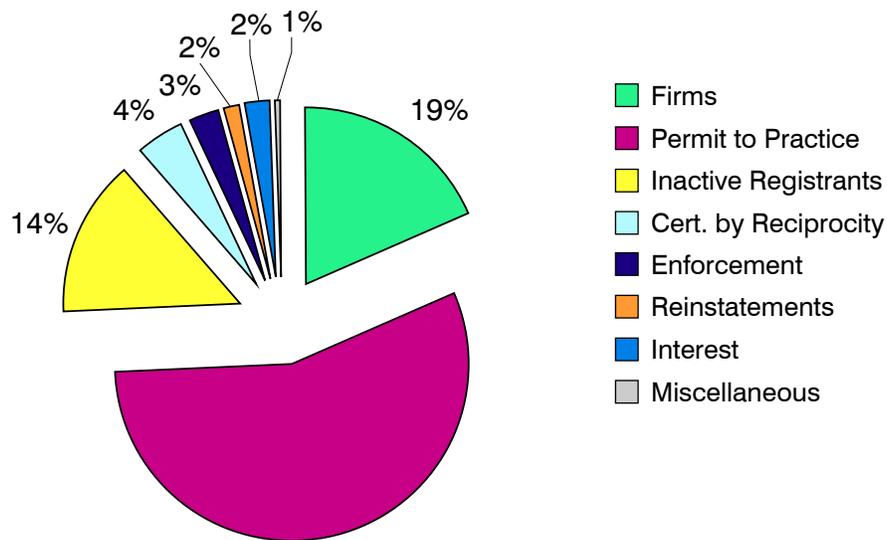
To review the current
Public Accountancy Act
and Title 288 Rules please
go to www.nbpa.ne.gov



2011 Board Revenue for Fiscal Year 2012

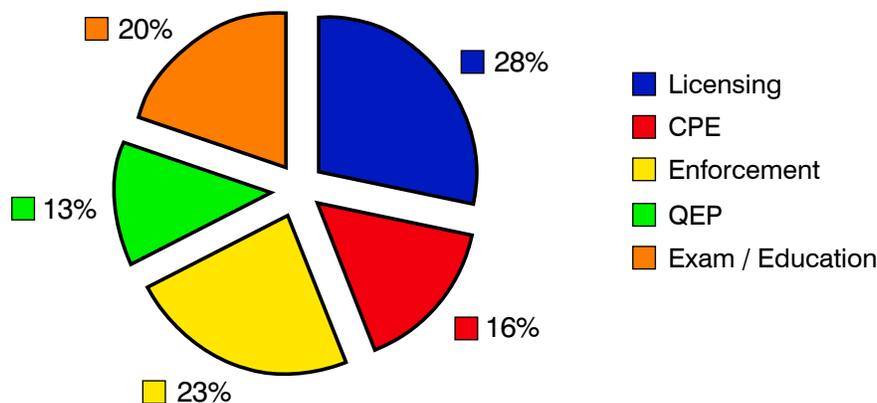
The Board is a Non-Code Agency within State Government. Board funds are derived from licensing fees as determined by the Board by February 1 of each year.* After creation of a recommended budget by the Board, funds are appropriated by the Nebraska Legislature as recommended by the Governor. The Board has submitted a 2012/2013 Budget to the Governor's Office for consideration. The budget can be reviewed on <https://das-nebs.ne.gov/public/faces/brdIndex.jsp>. Any questions pertaining to the proposed budget should be directed to Executive Director Dan Sweetwood at (402) 471-3595 or at Dan.Sweetwood@Nebraska.gov.

Revenue FY12



The Board currently has five programs as outlined below. The Chart shows generally where Board funds were utilized by program in FY2012.

Fiscal Year 12



* No State General Funds are used to support the Board

LICENSING STATISTICS 2012

**Report on permits/registrations issued from July 1, 2011 to June 30, 2012:
Prior year's statistics are given for comparison purposes.**

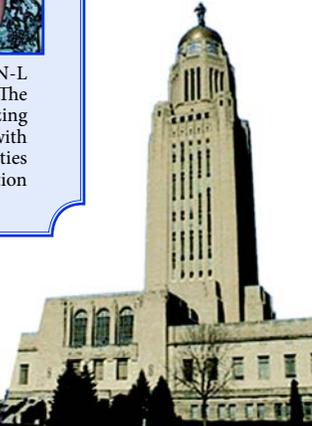
	2006-08	2007-09	2008-10	2009-11	2010-12	2011-13
CPA Permits	1087	1066	1008	1085	1120	1154
CPA Inactive Registrations	725	790	662	726	589	816
Total Individuals:	1812	1856	1670	1811	1709	1970
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-13
Partnerships	20	20	20	15	17	14
Professional Corporations	207	202	195	214	202	214
Limited Liability Companies	59	48	47	55	56	75
Limited Liability Partnerships	35	32	34	38	35	45
Sole Proprietorships	234	287	209	250	256	279
Total Firms:	555	589	505	572	566	627

**The 2012 Annual Register of licensed CPA and CPA Firms in Nebraska
is available on the Boards Home page: www.nbpa.ne.gov**

Certificates/ Permits/ Status Changes from - July 1, 2011 to June 30, 2012:	
Certificates Issued	94
Reciprocal Certificates Issued	45
Initial Permits Issued	126
Certificate Revocation for Permit Non-Renewal per PAA 1-137	2
Certificate Revocation for Inactive Registrants Non-Renewal per PAA 1-137	150
Inactive – Retired Status	21
Voluntary Surrender of Certificate	42
Reinstatement to Active Permit	18
Enforcement Cases	
New Cases opened in 2012	11
Discipline Issued in 2012	2
Open Cases Dismissed in 2012	8



Board Intern Dakota Sombke, UN-L Accounting Major, reports for work. The Board has had great success utilizing honors accounting students to assist with paperwork, filing, and other assigned duties while they are exposed to State regulation of the accounting profession.





Nebraska Board of Public Accountancy
P.O. Box 94725
Lincoln, NE 68509

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REMINDER!

2013 BOARD MEETINGS:

Board Members

Michael Wassinger, CPA – Chair – Hastings, NE
Bernie Gutschewski, Public Member – Vice Chair – Omaha, NE
Lori Druse, CPA – Secretary – Lincoln, NE
Richard Zacharia, CPA – Omaha, NE
Doug Skiles, CPA – McCook, NE
Jan Glenn, Public Member – Gretna, NE
Michele Stomp, CPA – Omaha, NE
Michael McClure, CPA – Lincoln NE

Staff

Dan Sweetwood, Executive Director
Jo Lowe, Administrator
Heather Myers, Administrative Assistant

Contact Information

P.O. Box 94725, Lincoln, NE 68509
140 N. 8th Street, Suite 290, Lincoln, NE 68508
(402) 471-3595 or (800) 564-6111
Fax (402) 471-4484

Website: www.nbpa.ne.gov

March 22, 2013 at 8:30 am

May 16-17 at 8:30 am

July 18-19 at 8:30 am

September 19-20 at 8:30 am

November 14-15 at 8:30 am



Jo Lowe and Dakota Sombke assembling the Board Meeting packet.