

Nebraska State Board of Public Accountancy

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

2014 ANNUAL LETTER



FROM THE BOARD CHAIR, *Mr. Bernie Gutschewski*

Change on the Horizon

I hope 2015 finds you well! As chair of the State Board I have had the opportunity to lead a great group of professionals that make up the Board including our staff who provided timely, well prepared information for our consideration this last year. We have been working hard and last year work continued on the development of a legislative initiative to amend the Nebraska Public Accountancy Act known as the Peer Review Bill (LB 159).

First some history: In 2010 the Board created the Quality Enhancement Program (QEP) Task Force based on concern expressed by longtime reviewers within the Board's QEP program. The complexity of the attest function along with mobility concerns for Nebraska firms along with others led the Task Force to recommend the Board's QEP program be replaced with the completion of the national Peer Review Program every three years. The Peer Review program is more rigorous and allows for review of random reports and review of corresponding work papers. The Task Force, the leadership of the Nebraska Society of CPAs, and the Board all agreed it was time for a change. It should be noted the QEP program served the profession well in Nebraska for many years and the volunteers including many longtime CPAs are acknowledged for their participation in making the program a successful one.

Legislation authorizing peer review (LB 159) has passed the Nebraska Legislature and on February 27 Governor Ricketts signed the bill into law. The Board's work on this project is ongoing and proposed regulations to compliment the law are being drafted and reviewed. It is anticipated a public hearing to review the proposed regulations will be set later this year. The proposed regulations will be available for review at the Board's offices and on the website. Please contact the Board office and staff to discuss and be provided the latest update on these regulations. The Board is working closely with the Nebraska Society of CPAs, the Nebraska Independent Accountants, and the AICPA Peer Review Team in the development of regulations. Please find additional information regarding this change within this Annual Letter.

Another new initiative of the Board in 2014, at the urging of Board Member Thomas Purcell, was to hold a Board meeting at Creighton University last November (see pages 3 & 6). Over 30 accounting students and faculty attended the Board meeting. A luncheon was then held targeting students preparing to sit for the Uniform CPA Examination including presentations and answering questions of the many students who attended. Later in the afternoon, a meeting was held of the Board's Education Advisory Committee. As an alumnus of Creighton, I enjoyed returning to the University and chairing the meeting on behalf of the Board.

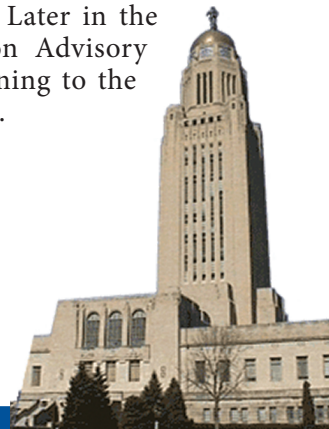
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Sincerely,

Bernie Gutschewski, Board Chair





Board remains committed to the fourth “E”

Over the years I have heard the expression the CPA profession is made of the “three E’s” including the first “E” the 150 hour education requirement to sit for the Uniform CPA examination, the second “E” the examination itself, and the third “E” the experience requirement before issuance of a permit to practice as a CPA in Nebraska. Only the most committed can meet these three “E” s and call themselves a Certified Public Accountant in Nebraska!

However, in my opinion there is fourth “E” and most in the profession agree strongly it might be the most important. If you guessed “ETHICS”, you are correct! The testament to all professions remains the consistent application of a strong code of conduct including ethical decision making. CPAs need a strong sense of ethics based on the professions service to the public and others in need of a “third party” take on financial reporting and other professional services.

The fourth “E” is important to your State Board and at times requires the Board to act when a CPA fails to uphold ethical decision making. The Board would much rather stress the need for ethical decision making in other avenues than revoking a Certificate. In 2004 the Board instituted a four hour requirement of ethics education within the 80 hour requirement to renew a permit to practice. Many may disagree with the thought that ethics can be taught and I will leave that argument for another day, but I have had the opportunity to attend many of these courses over the years and have mostly been impressed with the instructors and the course material. The State Board has allowed a very “general” definition for ethics education with the hope to keep the training fresh and new over the last ten years.

This year the Board is introducing another initiative based on their commitment to the fourth “E” (see pages 4 & 5). A State Based Ethics Examination will be included for completion along with the current AICPA Ethics Examination for Certificate applicants. The five question exam will require direct review of Nebraska Rules of Professional Conduct within current Board regulations. The goal is to stress the need for Nebraska Certificate holders (and later Permit Holders) to understand the Rules of Professional Conduct in Nebraska and the difference between the responsibilities of the State Board and the Nebraska Society of CPAs and the AICPA.

I would like to acknowledge Board Member Thomas Purcell, Phd., esq, CPA for his assistance in the creation and review of the exam. Dr. Purcell is a current professor in accounting at Creighton University and was well suited to lead this project on behalf of the Board.

Never hesitate to contact me if you have any questions and/or concerns regarding any issues under purview of the Board. I can be reached at (402) 471-3595 or at Dan.Sweetwood@Nebraska.gov.

Take care in 2015!

A handwritten signature in black ink, appearing to read "Dan Sweetwood".

Dan Sweetwood



Board Chair Bernie Gutschewski reads a proclamation for former member Mr. Thomas Obrist for his service on the Board at the Board’s July meeting.

Former Board Members Recognized



Current and former Board members attending the Nebraska Society of CPAs annual meeting include Dr. Thomas Purcell, Kate King-Wu, Doug Skiles, Michelle Thornburg, Jan Glenn, and Anne Fuhrman. Skiles was recognized at the meeting for his Board service.

BOARD MEETS AT CREIGHTON UNIVERSITY



Dr. Thomas Purcell welcomes the Board to Creighton University



Board Members attending meeting at Creighton University L/R: Dr. Thomas Purcell, Ms. Michelle Stromp, Mr. Dan Sweetwood, Executive Director, Mr. Bernie Gutschewski, Chair, Ms. Lori Druse, Vice Chair, Ms. Jan Glenn, Secretary, Mr. Michael McClure, Ms. Marcy Luth (not present Mr. Glen Waltemath)



Board Secretary Jan Glenn and Jo Lowe enjoy a minute after the Board meeting



Ms. Patricia Hartman from NASBA/CPAES chats with students after the luncheon

More Creighton photos on page 5

NEBRASKA CPA STATUS

Nebraska is 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 the Board 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 (or three years in business, government, and academia) a Certificate Holder may 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 the CPE requirement, they may 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

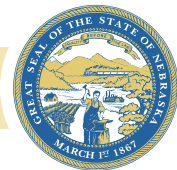
Permit Holder:

- 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)"





CHANGE FOR NEBRASKA CPA FIRMS

In 2010 the Board created a Task Force to review and provide recommendations to the Board regarding the Quality Enhancement Program (QEP). The QEP Task Force was made up of longtime participants in the QEP program and current Board members. Participants have included:

Mr. Michael McClure, CPA- Chair, Board member
Ms. Anne K. Furrhman, CPA,
(the late) Mr. Michael W. Wassinger, CPA
Mr. Mark Manning, CPA
Ms. Michele Thornburg, CPA
Ms. Lindy Black, CPA
Ms. Lori Druse, CPA, Board member
Mr. Glen Waltemath, CPA, Board member

The Task Force met several times over a four year period and continued to review and discuss requirements from other State Boards, national peer review requirements, drafting of regulations, and the creation of a law change within the Public Accountancy Act. The Task Force also consulted with Board staff, the Board Attorney, the AICPA Peer Review Team, the Nebraska Society of CPAs, and the Nebraska Independent Accountants Association. Additionally, several email blasts and letters were sent to Nebraska CPA firms regarding the proposed change.

The Task Force identified areas of concern while contemplating the change including:

- the continued complexity of the attest function
- QEP lack of review of corresponding work papers including no random select of submitted reports
- Concern Nebraska CPA firms would not be substantially equivalent while conducting out of state engagements
- The ability to recruit and retain longtime QEP reviewers in the program

In January the Peer Review Bill (known as LB 159) was presented before the Nebraska Legislature. Senator and Speaker of the Legislature Mr. Galen Hadley presented the Bill on behalf of the Board before the Business, Commerce & Insurance Committee. LB 159 was advanced with no opposition and it anticipated the Bill will become law.

WHAT DOES THE QEP CHANGE MEAN TO NEBRASKA CPA FIRMS

If a Nebraska CPA firm does not complete Audits, Reviews, and/or Compilations, this change will have no impact.

If a Nebraska CPA completes Audits, Reviews, and/or Compilations and the firm currently participates in the AICPA Peer Review Program, this change will not have an impact.

If a Nebraska CPA firm currently participates in the QEP program and the AICPA Peer Review Program, the ability to submit to the QEP program will end; however, there will be no impact other than to properly submit your completion of the AICPA Peer Review Program.

If a Nebraska CPA firm currently only completes the QEP program the firm will be impacted by this change. What should the firm do?

- Contact the Board office at (402) 471-3595 or at Heather.Myers@Nebraska.gov to determine the date you need to submit your next report. A Peer Review will be required every three years and the firm will want to identify what class it resides. The classes are set by the licensing requirement date for QEP submission: 2016/2017/2018.
- It is anticipated the QEP program will be offered for the 2016 class
- As of July 1, 2017, the 2017 class will have to submit completion of a Peer Review Program.
- As of July 1, 2018, the 2018 class will have to submit completion of a Peer Review Program.

Board regulations are currently being drafted to compliment the law changes within LB 159 and it anticipated the hearing notice will go out soon. A public hearing before the Board will be held and you are most welcome to review the draft and provide input to the Board. Please contact the Board office at (402) 471-3595 or at Dan.Sweetwood@Nebraska.gov if you would like to review the draft.

EDUCATION & EXAM COMMITTEE (E & E):

In 2014, Nebraska ranked tenth nationally with a first-time CPA Exam pass rate percentage of 61.0% which is higher than 2013, when Nebraska was ranked thirteenth nationally with a first-time pass rate of 58%. That means 61% 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! 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. See the Board's website, "CPA Info" tab, then Steps to Becoming a CPA, then Step #1 for CPA Exam application directions, pre-educational evaluation directions, and related links.

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

Committee Chair Jan Glenn serves the CPA profession by serving on NASBA's Board of Directors as the Central Regional Group Chair.

The Education Advisory Committee (EAC), made up of educational institution representatives and CPAs, met at Creighton University, Omaha NE, November 14, 2014. 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.



The Board's EAC Committee met at Creighton University after the Board's meeting in the afternoon.

The EAC agenda included:

Exam Update: Ms. Pat Hartman, NASBA Director of CPAES, gave an update on the CPA exam basics, current trends in the exam, and reviewed changes to the exam. Joined by Henrietta Eve, AICPA Technical Manager, presented changes to the CPA Exam for 2017. Students received significant information and were requested to comment on the future of the exam.

"Thanks to longtime member Dave Emery, CPA, for his service on the EAC.

Dave joined the committee when the 150 hours to sit for the examination was researched and implemented."

Education Advisory Committee

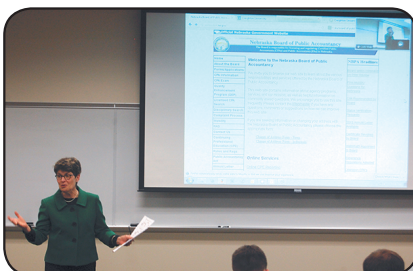
CREIGHTON UNIVERSITY cont. from page 3



Students attend a luncheon after the Board meeting regarding updates on the Uniform CPA Examination. Ms. Patricia Hartman from NASBA/CPAES answers questions from students.



Ms. Henrietta Eve from the AICPA Examination Team overviews upcoming changes to the examination for students and accounting faculty.



Board Administrator Jo Lowe discusses the State Board with Students and Faculty.



Ms. Patricia Hartman, Ms. Jo Lowe and Ms. Henrietta Eve.



Board Executive Director Dan Sweetwood discusses the examination with a student.



A Difference Maker



Ms. Anne K. Fuhrman

When a Nebraska CPA is appointed to the State Board by the Governor and attends orientation they are told they have placed themselves in a position to possibly have a direct impact on their chosen profession. There is no better example than Ms. Anne K. Fuhrman, CPA. Ms. Fuhrman, a CPA for over 30 years, is a current partner in the firm Fuhrman, Smolsky, & Furey, P.C. Upon joining the Board in 2003, Ms. Fuhrman joined the late Michael W. Wassinger, CPA, on the Board's Quality Enhancement Program (QEP) Committee. After many volunteer hours conducting secondary reviews of QEP submitted reports and reporting the results to the State Board, Ms. Fuhrman and other longtime reviewers became concerned with some of the poor work submitted. After becoming Chair of the QEP Committee and discussing her concerns with the committee and the Board, a QEP Task Force was created in 2010 to follow up on noted concerns

and make recommendations to the Board. She was appointed Chair of the Task Force made up of longtime reviewers and participants in the QEP program. After almost four years, all agreed it was time to end the QEP program and require a peer review program (see page 1, 4-5). The Board agreed with the recommendations and in 2015, LB 159 was proposed to the Nebraska Legislature to require peer review for Nebraska CPA firms every three years.

In January, 2015, Ms. Fuhrman provided testimony before the Business, Commerce, & Insurance Committee of the Nebraska Legislature regarding LB 159 after introduction and support by Speaker Galen Hadley, and expressed her opinion peer review should be required. Earlier, she spoke at the Nebraska Society of CPAs annual meeting in a breakout session with current Board member Michael McClure, CPA and QEP Task Force Chair, and Board Executive Director Dan Sweetwood regarding the proposal.

A great example of a Board member who, after observation and thought, made a difference by initiating a change. She continues to serve as a member of the QEP Task Force. Congratulations to Anne K. Fuhrman for her continued service to the Board, members of the CPA profession, and to the citizens of Nebraska.

Glenn becomes NASBA Director



Ms. Jan Glenn, Omaha, Nebraska the current Secretary of the Board and a member since 2012 was appointed to the position of National Association of State Boards of Accountancy (NASBA) Central Regional Director last November. She also joins the NASBA Board of Directors. 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. Within her role of the Central Regional Director she will work closely with surrounding State Boards of Accountancy to identify areas where NASBA can assist.

QUALITY ENHANCEMENT PROGRAM:

The Most Common Problems on 2014 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. Proper title headings of Accountant's Report
4. Errors in reference to basis of accounting – references to both GAAP & OCBOA
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 which could inadvertently be altered.

WE NEED YOUR HELP! 2015 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.

CONTINUING PROFESSIONAL EDUCATION (CPE) COMMITTEE:



16 HOURS OF PERSONAL DEVELOPMENT COURSES COUNT 100%!

As of January 1, 2014 the Board implemented a new policy regarding CPE personal development courses. The new policy: *"A CPA may take up to 16 hours of "self determined" personal development courses that relate to their current employment for biennial permit renewal requirements. The other required 64 (or more) hours must be "technical" and directly related to the practice of public accountancy"*

The Board decided that 16 hours of the 80 hour requirement can be utilized at the discretion of the CPA to assist in career development. This is not a requirement and the CPA may choose to complete the entire 80 hour requirement in technical courses related to the practice of public accountancy. This policy will replace the former policy that counted personal development at 50% of the hours taken.

The 16 hours should relate to professional development within the CPAs current employment. The other 64 hours must be "technical" in nature and directly related to the practice of public accountancy.

Examples of professional development courses include:

- Communication
- Leadership
- Developing strengths or talents
- Developing writing skills
- Courses that pertain to your work

CPE RETENTION is 6 years



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: 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.

CPE ONLINE REPORTING

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.



The Committee reviewed 620 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.

Audit Process

Annually the Board will select permit holders at random for specific evidence of completion of required continuing professional education courses as reported by the permit holder. Those permit holders that have requested extensions previously shall come under the requirement to prove evidence of attendance/completion in the next reporting period. Hours utilized within the extension request cannot be utilized in the permit holders next reporting period. Be prepared to provide requested information to the Board office if selected.



LICENSING COMMITTEE:

Online renewal applications for 2014 were completed by 87% 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, 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 2014, certificates of 19 inactive registrants and 2 active permit holders 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.

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

ENFORCEMENT NEWS:

The Board's Enforcement Committee consists of one member of the Board charged with the initial review of complaints submitted by the public and/or reported information on renewal applications by CPAs and CPA firms. This important and at times difficult task requires the member to determine if the complaint rises to a level where a recommendation be made that a formal Petition be filed against the CPA and/or the CPA firm in the matter. To complete the task the committee can turn to others to assist in supporting any decisions rendered including:

- ▶ Utilizing Board staff to assist in administering and tracking complaint activity within the Board complaint log to ensure the complaint is being properly monitored and updated by the committee and the Board. The executive director brings a strong regulatory background and can provide administrative enforcement support as necessary.
- ▶ The Special Assistant Attorney General/Board Attorney brings over 20 years of Board enforcement/ regulatory support and brings over 40 years of legal experience to the table while being a member of a major Lincoln law firm. His historical perspective along with his vast knowledge of legal administrative proceedings brings important support to the committee when requested.
- ▶ The Nebraska Attorney General's Office with the support by an Assistant Attorney General that brings over 15 years of experience while assigned to the Board. She also brings her experience while representing several other state agencies and can provide support by providing legal opinions of the office when necessary.
- ▶ The use of experts when a case requires a professional opinion of another CPA. Former Board members versed in enforcement proceedings, Nebraska CPAs who specialize in the matters before the committee, and national experts recommended by the National Association of State Boards of Accountancy (NASBA). All can provide expert opinion to the committee.

Current and former Board members who handled this role for the Board should all be acknowledged for handling this important role for the CPA profession in Nebraska. Decisions rendered can have at times dramatic impact on the life of a CPA and should only be made with the most professional support.

Any questions and/or concerns with the Boards enforcement programs should be directed to Executive Director Dan Sweetwood at (402) 471-3595 or at Dan.Sweetwood@Nebraska.gov.

The BOARD presents at the NE SOCIETY of CPAs ANNUAL MEETING on LB 159



Board member Michael McClure discusses possible changes to end the Board's Quality Enhancement Program and require Peer Review for Nebraska CPA firms.



QEP Task Force member Anne Fuhrman and Executive Director Dan Sweetwood also addresses questions and concerns of Nebraska CPAs.

FAQ's / TIDBITS:

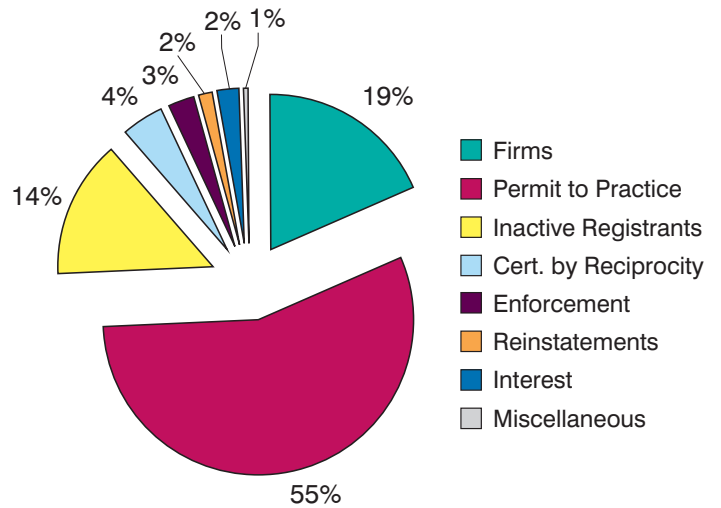
- 1.) Check for the current NBPA application form:** Be sure to check the NBPA website for the most current application forms. In the past two years, fees have changed for some applications. As a state agency, the Board cannot accept checks for the wrong amount. The application and incorrect fee check 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.
- 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.**



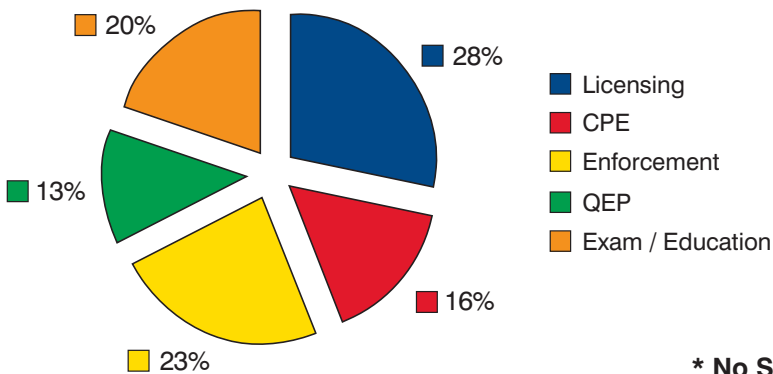
2014 Board Revenue for Fiscal Year 2015

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 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 FY14



Fiscal Year 14



The Board currently has five programs as outlined to the left. The Chart shows generally where Board funds were utilized by program in FY2014.

* No State General Funds are used to support the Board

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 courses 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 FEES FOR LICENSING FY2015/2016

Active Permit to Practice	\$ 175
Inactive Registration	\$ 70
Reciprocal Certificate	\$ 200
Firm Permit: P.C.'s, LLC's, LLP's, Part.	\$ 50
Certificate of Registration: P.C.'s, LLC's	\$ 25
Office Fee: All firms and S.P.'s	\$ 25
CBT Examination Initial Admin. Fee	\$ 15

LICENSING STATISTICS 2014

**Report on permits/registrations issued from July 1, 2013 to June 30, 2014:
Prior year's statistics are given for comparison purposes.**

	2008-10	2009-11	2010-12	2011-13	2012-14
CPA Permits	1008	1085	1120	1207	1276
CPA Inactive Registrations	662	726	589	816	678
Total Individuals:	1670	1811	1709	2023	1954
	2009-10	2010-11	2011-12	2012-13	2013-14
Partnerships	15	17	14	17	11
Professional Corporations	214	202	214	231	246
Limited Liability Companies	55	56	75	86	91
Limited Liability Partnerships	38	35	45	57	59
Sole Proprietorships	250	256	279	314	290
Total Firms:	572	566	627	705	697

Certificates/ Permits/ Status Changes from - July 1, 2013 to June 30, 2014:

Certificates Issued	112
Reciprocal Certificates Issued	37
Initial Permits Issued	136
Certificate Revocation for Permit Non-Renewal per PAA 1-137	2
Certificate Revocation for Inactive Registrants Non-Renewal per PAA 1-137	19
Inactive – Retired Status	42
Voluntary Surrender of Certificate	23
Reinstatement to Active Permit	24

Enforcement Cases

New Cases opened in 2014	6
Discipline Issued in 2014	1
Open Cases Dismissed in 2014	12

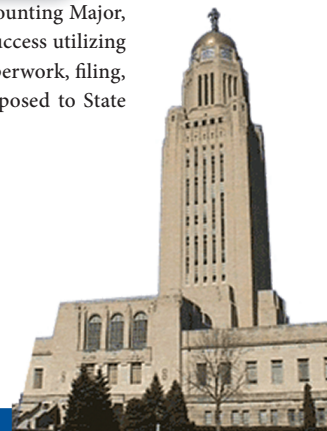
EMAIL BLASTS COMING FROM THE STATE BOARD:

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.



Board Intern Lisa Steffensmeier, 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.

**The 2014 Annual Register of licensed CPA and CPA Firms in
Nebraska is available by contacting the Board office.**





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

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2015 BOARD MEETINGS:

March 18 at 8:30 am
May 14-15 at 8:30 am
July 17 at 8:30 am
September 10 at 8:30 am
November 13 at 8:30 am

Board Members

Bernie Gutschewski, Public Member – Chair – Omaha, NE
Lori Druse, CPA – Vice Chair – Lincoln, NE
Jan Glenn, Public Member – Secretary – Gretna, NE
Michele Stromp, CPA – Omaha, NE
Michael McClure, CPA – Lincoln, NE
Marcy Luth, CPA – Grand Island, NE
Thomas J. Purcell, III CPA – Blair, NE
Glen Waltemath, CPA – North Platte, NE

Staff

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

Contact Information

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1526 K Street, Suite 410, Lincoln, NE 68508
(402) 471-3595 or (800) 564-6111
Fax (402) 471-4484

Website: www.nbpa.ne.gov



Our Location

The Nebraska Board of Public Accountancy office is located across the street from the State Capitol. Our address is 1526 K Street, Suite 410.