

July 27, 2010

MEMO

TO: Nebraska Governmental Agency

FROM: Dan Sweetwood, Executive Director
Nebraska State Board of Public Accountancy

Re: Mobility provisions for CPAs

The following information is provided for those responsible for monitoring attest work including activities performed by Certified Public Accountants (CPAs) and/or CPA firms for your agency.

The Nebraska State Board of Public Accountancy (Board) is responsible for the licensure and regulation for over 2000 active CPAs and 500 CPA firms. Some of these CPAs and firms are domiciled outside Nebraska but conduct engagements for Nebraska clients. These clients include Nebraska businesses, not-for-profit entities, and governmental agencies. Although temporary work provisions exist within the Nebraska Public Accountancy Act (PAA), legislation proposed and passed by the 100th Nebraska Legislature known as the Mobility Bill (LB 31) changed provisions for CPAs domiciled outside Nebraska.

Mobility for CPAs is a concept developed and supported by the National Association of State Boards (NASBA), the American Institute of CPAs (AICPA), and recommended within the recently released report of the U.S. Treasury Departments Advisory Committee on the Auditing Profession (ACAP) report. Mobility provisions were also placed within the Uniform Accountancy Act (UAA). The goal of Mobility was to ease the difficulty of licensing provisions for mobile CPAs conducting engagements within several jurisdictions while maintaining the ability of State Boards to discipline CPAs when necessary.

The Mobility Bill for Nebraska will become effective September 1, 2010. The PAA will reflect these changes and can be reviewed by going to www.nbpa.ne.gov. Additional information regarding Mobility for CPAs can be obtained by going to www.nasba.org.

Mobility will allow other states CPAs to obtain the practice privilege within Nebraska and conduct some engagements for Nebraska clients without obtaining or maintaining an active permit to practice. The CPA must be properly licensed in the state where they live and consider their principal place of business. Professional Services provided by CPAs

and CPA firms under Mobility provisions include all services **except in some cases for Audit and/ Review Engagements.** Audit and Review engagements will require the CPA firm and a CPA within the firm to register and obtain an active firm permit from the Nebraska Board if the engagement is considered directed at the clients Home Office.

Important provisions for Governmental Agencies engaging CPA Services

The Nebraska Mobility Law was not intended to preclude your agency from requiring the CPA and/or CPA firm to register with the Nebraska Board as they currently do regardless of the professional services they provide.

PAA/Section 1-125.01

(3) The practice privilege afforded under this section or any other section shall not be interpreted to prevent any governmental body from requiring that public accounting services performed for a governmental body or for an entity regulated by a governmental body be performed by a person or firm holding permit issued under section 1-136 (the Nebraska Board)

If your law requires services provided by CPAs and/or CPA firms, your agency is not required to adjust your law to reflect the practice privilege. Simply, if your law and/or policy require CPAs and/or CPA firms to be properly licensed within Nebraska, they must comply. The CPA and/or CPA firm **cannot** rely on use of the practice privilege within the Mobility Law when engaged with your agency to avoid obtaining a Nebraska permit to practice. The Board does not discourage CPAs and/or CPA firms domiciled outside of Nebraska from obtaining Nebraska permits to practice while engaged with your agency.

If you have any questions and/or require clarification regarding the Mobility Bill, please direct to:

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We would also be available to meet with you individually and or groups within your agency to discuss Mobility for CPAs.