

INTERNATIONAL UPDATE

Telford A. Lodden, CPA

Chair, NASBA/AICPA International Qualifications Appraisal Board

2016 NASBA Annual Meeting

NASBA/AICPA IQAB

- Telford A. Lodden – Chair
- Charles P. Heeter – Vice Chair
- William Treacy – Chair Emeritus
- Sharon A. Jensen
- Raymond N. Johnson
- Sara L. Lord
- Joseph P. Petito
- Jose Ramon Rodriguez
- Kathleen J. Smith

MRA RENEWALS UNDER STUDY

- Instituto Mexicano de Contadores Públicos with CPA Canada (formerly Canadian Institute of Chartered Accountants)
- Institute of Chartered Accountants Australia/ New Zealand (formerly Institute of Chartered Accountants of Australia and New Zealand Institute of Chartered Accountants)
- Hong Kong Institute of CPAs
- Institute of Chartered Accountants in Ireland

IN DISCUSSION WITH OTHERS

- CPA Australia
- Institute of Chartered Accountants in England and Wales
- Institute of Chartered Accountants of Scotland
- South African Institute of Chartered Accountants

APPROVED REVISED UAA SECTION 6(G)

- The Board shall issue a certificate to a holder of a substantially equivalent foreign designation, provided that:
- ~~The foreign authority which granted the designation makes similar provision to allow a person who holds a valid certificate issued by this State to obtain such foreign authority's comparable designation; and~~
- (1) The Board determines that the foreign designation:
 - was duly issued by a foreign authority that regulates the practice of public accountancy and the foreign designation has not expired or been revoked or suspended;
 - entitles the holder to issue reports upon financial statements; and
 - was issued upon the basis of educational, examination, and experience requirements established by the foreign authority or by law; and
- In making its determination regarding compliance with this Section 6(g)(1), the Board may rely on the recommendations of the International Qualifications Appraisal Board jointly established by the National Association of State Boards of Accountancy and the American Institute of Certified Public Accountants.

DELETED

~~The foreign authority which granted the designation makes similar provision to allow a person who holds a valid certificate issued by this State to obtain such foreign authority's comparable designation~~

A COMPARISON

Mutual Recognition Agreement

- Covers experienced holders of credentials that have been determined by IQAB to be substantially equivalent to US CPA
- Requires passing IQEX
- Transparent agreement clearly mapping out what candidate holding each designation must do to obtain certificate and/or license
- Already recognized in U.S. jurisdictions
- To be renewed in five years

New Unilateral Pathway

- Covers experienced holders of credentials that have been determined by IQAB to be substantially equivalent to US CPA
- Requires passing IQEX
- Transparent agreement clearly mapping out what candidate must do to obtain to CPA license
- Model document not yet developed or accepted in any jurisdiction
- Expected to lead to mutual recognition

RECOGNIZING QUALIFIED ACCOUNTANTS

- Qualified experienced accountants are working in the United States who are not regulated by the State Boards of Accountancy. The new pathway can bring them under the Boards' jurisdiction even if their home country is not considering mutual recognition. The Boards' responsibility is to protect the public in their states.
- The new pathway should encourage other countries' regulators to open their doors to U.S. CPAs. A unilateral pathway is not intended to continue if there proves to be no future possibility that mutual recognition will be accomplished.
- IQAB will continue to carefully analyze the non- U.S. credentials, how they are obtained and maintained, before making any recommendations to State Boards for admitting pathway participants.

WE ARE EVOLVING TO STAY IN STEP WITH THE GLOBAL ECONOMY

