

# The Trusted Professional

THE NEWSPAPER OF THE NEW YORK STATE SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

VOL. 17 NO. 9 | SEPTEMBER 2014 | WWW.TRUSTEDPROFESSIONAL.COM | WWW.NYSSCPA.ORG

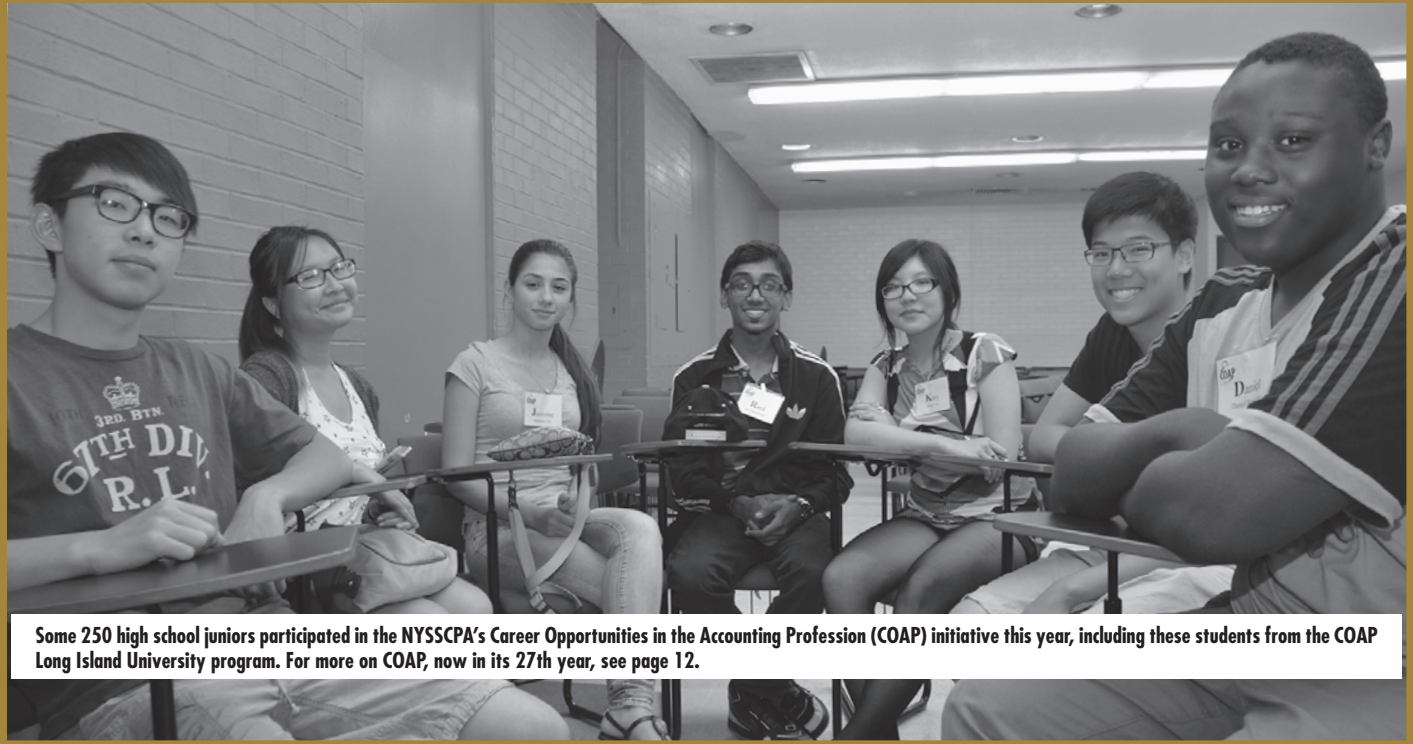
## NYS DFS takes aim at virtual currency regs

BY CHRIS GAETANO  
*Trusted Professional Staff*

The New York State Department of Financial Services (DFS) has proposed a set of regulations to govern the transfer and use of virtual currencies such as Bitcoin, making this the first state in the country to do so. The proposal is intended to provide a framework for businesses that use virtual currencies, with consumer protection, anti-money laundering efforts and cybersecurity in mind.

“We have sought to strike an appropriate balance that helps protect consumers and roots out illegal activity—without stifling beneficial innovation,” Benjamin M. Lawsky, New York state’s Superintendent of Financial Services, said in a statement. “Setting up common sense rules of the road is vital to the long-term future of the virtual currency industry, as well as the

## Inspiring the next generation of CPAs



Some 250 high school juniors participated in the NYSSCPA’s Career Opportunities in the Accounting Profession (COAP) initiative this year, including these students from the COAP Long Island University program. For more on COAP, now in its 27th year, see page 12.

safety and soundness of customer assets.” The past few years have seen an explosion of online virtual currencies, the oldest and most popular of which is Bitcoin. Unlike traditional mediums of exchange—such as dollars, pounds and yen—virtual currencies are linked to no one nation, are not regulated by a central bank and transactions that use them are not processed by

an intermediary financial institution.

The state isn’t alone in its efforts to make sense of an unfolding, and often unwieldy, phenomenon. In the spring, the NYSSCPA’s Board of Directors voted to establish a new Virtual Currency Task Force to identify for the public and other relevant stakeholders the associated risks and benefits of electronic currencies. The task force, whose members

represent diverse areas such as audit, tax, accounting and anti-money laundering, is currently in the process of drafting a response to the DFS proposal, with the public comment period closing on Oct. 21.

Comparing Bitcoin to the California

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## Financial managers: GASB proposals on OPEB to have subtle impact

BY CHRIS GAETANO  
*Trusted Professional Staff*

Schools, municipalities and other public entities will need to radically change how they calculate liabilities for other post-employment benefits

(OPEB), if the Governmental Accounting Standards Board (GASB) approves three exposure drafts it simultaneously released this summer. However, experts say the impact will be subtle, with the biggest shifts occurring mostly in how information is presented.

The proposals—“Accounting and Finan-

cial Reporting for Postemployment Benefits Other Than Pensions”; “Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans”; and “Accounting and Financial Reporting for Pensions and Financial Reporting for Pension Plans That Are Not Administered Through Trusts That

Meet Specified Criteria, and Amendments to Certain Provisions of GASB Statements 67 and 68”—were made public on June 16.

OPEB are benefits, outside of pension plans, that state and local governments and

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# PRESIDENT'S COMMENTARY

## Speaking truth to power

As the unified voice for more than 28,000 CPAs throughout New York state, the NYSSCPA has always recognized its obligation to meet issues affecting our profession head on. This is true whether it means taking our concerns to a regulator or standards setter; to the Capitol Building in Albany; or to Capitol Hill in Washington, D.C. But we had a truly unique scenario last month, in which we found ourselves having to confront the president of the United States in defense of CPAs everywhere.

During a White House press conference in August, President Obama seemed to blame accountants for the increased number of U.S. corporations that use tax inversions to reduce their U.S. tax obligation. His concern about the potential impact of this trend is understandable. According to Congress's Joint Committee on Taxation, the United States could lose as much as \$20 billion in the next decade if the inversion tide continues. However, as I said in a statement that the Society released on Aug. 7, the president's ire was woefully misdirected: U.S. corporations hire ac-

countants for their distinct ability and expertise in seeing that clients fulfill their tax obligations, as required by law. In fact, it is a CPA's unique ability to navigate an extraordinarily complex tax code that makes his or her services valuable to individual and corporate clients. If President Obama wants to point fingers, I added, perhaps he should point them at Congress for creating the very loopholes he vilifies. (To read my statement in its entirety, visit [www.nysscpa.org](http://www.nysscpa.org).)

We didn't mince words, and our push-back drew national attention. But far more important than the headlines it generated was the reminder it offered legislators, businesses and the public about the nature of our role as trusted professionals. Many know our Society as a valuable source of comment letters about technical matters. But it's also a part of our job to wade into controversial and uncomfortable areas in order to

shine a light on the truth and to demand a common sense approach when others fail. The stand we took is also a powerful reminder to Society members about



Scott M. Adair

what drives the work we do: a passion for the profession. We don't simply have an obligation to tackle these issues—we share a fervent desire to do so.

I hope, more than anything, that we'll carry this spirit with us into the state's new legislative session, and that we'll continue to show the world that we have not just solid positions, but ones we'll fight for. To that end, you can help us to heighten the profession's visibility and strengthen our collective voice by supporting our political action committee (PAC). When you support our CPA PAC, you help send a clear message to legislators that we intend to be heard. To learn more about it, visit [www.nysscpa.org/page/government-affairs/cpa-pac](http://www.nysscpa.org/page/government-affairs/cpa-pac).

[president@nysscpa.org](mailto:president@nysscpa.org)

## NOTICE OF OPEN NYSSCPA BOARD OF DIRECTORS MEETING

Each year, the NYSSCPA Board of Directors holds an open meeting that any member in good standing may attend.

This year's open meeting will be held on Sept. 12 as part of the NYSSCPA Governance Forum, beginning at 9 a.m. at the Desmond Hotel in Albany, N.Y.

For more information, email [ngomez@nysscpa.org](mailto:ngomez@nysscpa.org).

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To ensure that each issue of *The Trusted Professional* is distributed on a timely basis, we have issued the following deadlines by which such materials must be received:

October issue—Sept. 12

November issue—Oct. 13

December issue—Nov. 11

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# Newsmaker: Taxpayer Rights Advocate Margaret Neri

BY CHRIS GAETANO  
*Trusted Professional Staff*

In July, Margaret “Peg” Neri was appointed the state’s new Taxpayer Rights Advocate, after her predecessor, Camille Siano Enders, left the post to become deputy commissioner and director of the Bureau of Conciliation and Mediation Services. Neri is a tax department veteran, having spent the past 15 years of her career as a litigator in its Office of Counsel and, more recently, as its ethics officer. (She’ll continue to hold that title, even as she tackles her new position.) Prior to that, she worked in the private

Division of Tax Appeals and the Tribunal, so I’ve developed good working relationships with managers throughout the department. Also, prior to coming to the tax department, I was in private practice. Working in private practice, you learn that clients with legal problems usually face other challenges, as well. I also learned that there are many people who just don’t understand their rights or responsibilities under the law. I brought these insights to my work as a tax litigator and will bring them with me to my work in the TRA office.

**How did you come to work for the state tax department?**

I was in private practice for about 10 years, at

to substantiate their refundable credits. We have a strong staff here at the advocate’s office, which will make for a very smooth transition going forward.

**How do you think your tenure will differ from that of Enders? How will it be the same?**

I don’t really think it will be all that different. Everyone brings their own leadership style, but the work is basically the same: advocacy, examining hardship cases and helping taxpayers get back on track, as well as examining situations to determine what the department needs to do in order to improve procedures and processes.

**How would you describe your leadership style?**

By the same token, education is a feedback loop—beyond educating our taxpayers, we can use what we hear in our outreach to educate our employees as well, so that one area informs the other.

**As advocate, how do you anticipate working with the CPA profession?**

I’m looking forward to working with the Society and other organizations for professionals who serve taxpayers. You bring a valuable insight on the taxpayer experience, and can often provide more global perspectives on the issues. I’m hopeful that the upcoming months will provide a variety of opportunities for us to dialogue.



Meet the state’s new Taxpayer Rights Advocate Margaret Neri at the Foundation for Accounting Education’s New York State Taxation Conference on Oct. 20 in New York City.

Learn more at [nysscpa.org](http://nysscpa.org).

sector, with a focus on hospital finance, health care and judgment enforcement. As the third person to fill the advocate role since it was created in 2009, Neri comes to the office at a time of heightened activity: The commissioner has prioritized making direct contact with taxpayers for outreach and education. In fact, within the past few years the department has doubled, from three staff members devoted solely to this purpose to six. Neri spoke with *The Trusted Professional* about her goals going forward.

**What is it about this role that interests you? Why did you decide this was a good move to make?**

After litigating tax cases for 15 years, I see this as an opportunity to serve taxpayers in a different and more direct way. The advocate is uniquely positioned to give one-on-one assistance to taxpayers, whether it’s setting up a manageable payment plan, for example, or doing educational outreach to help people understand which records they need to support their tax filings. I’m honored and excited to be taking on this role.

**How has your background prepared you for the job?**

I think my background helps in two different ways: As an attorney in the department’s Office of Counsel, I litigated cases before the

two different law firms. Though I enjoyed it, I was drawn to public service. I had always had an interest in serving—I’m a long-time community volunteer—and the tax department’s litigation division was a natural fit for me.

**What are your main priorities in the short and long term?**

In the short term, we will continue to make sure taxpayers understand their rights and move cases along efficiently, with timely and professional communications. In the long term, as we advocate for the taxpayers, we will be looking for ways to identify systemic changes that can be made in the department. It could be training or it could be new regulations or proposed legislation. Either way, identifying the crucial changes that need to be made in order to bring about improvements to how the department and taxpayers interact is a high priority. I’m hopeful that my experience in this department and the relationships I’ve formed will help me implement some of these changes.

**What’s your plan for managing the transition from your predecessor?**

I think it will be a smooth transition. I will continue the good work Camille started, particularly in providing assistance to taxpayers who are working with the department

**Are you a hands-on kind of leader, someone who looks for good people to delegate to, someone who seeks consensus, or someone who is more confrontational?**

I think I’m many of those things, depending on the situation. I wouldn’t say I’m confrontational, for example, but I would say I stand squarely in my space and make my own judgment. I’m an independent thinker who makes her own assessments.

**What are your biggest concerns about how the tax department interacts with taxpayers in New York, and how do you plan to use your office to address them?**

One of the things we learned in the last year or two was that, in many areas of the department, there isn’t time to listen to and educate taxpayers. It’s just not possible, volumewise. I’d like to use the experiences and data we’ve collected to show that the time spent with taxpayers helps them to better understand the laws and our processes. I think this is a big lesson for all of us and will allow us to affect change.

One of the initiatives that started under Camille was increasing outreach and education among taxpayers—our efforts to attend elder fairs and expand our tax summits, for example, are reflective of this initiative. I think there is a real value in meeting with taxpayers where they are in their communi-

**You’re also the ethics officer for the tax department. How do you think these two roles support each other, and in what ways might they bump against each other?**

The ethics officer role definitely supports the work at the advocate’s office. As ethics officer, I provide ethics training and guidance to employees, informing them of obligations under public officers law and departmental codes of conduct. In our training classes, we spend a lot of time discussing the department’s mission statement, which is “to efficiently collect tax revenues in support of state services and programs, while acting with integrity and fairness in the administration of the tax laws of New York state.” As the advocate, I think I will be uniquely positioned to evaluate whether we are in line with that mission statement. I don’t see the two roles bumping against each other at all.

**What was the last really good book you read?**

*Caleb’s Crossing* by Geraldine Brooks was a really notable book for me. It’s historical fiction and the writing is simply lyrical. It was just a beautiful book.

# GASB

*Continued from front page*

public entities provide to their retired employees. The most common type are health-care benefits, but OPEB can also include legal aid or life insurance, among other things.

If approved, the most significant effect of the GASB proposals, as a whole, will be the requirement that governmental entities rec-

their own OPEB, unlike pensions, which are run out of the state.

"There is already the large concern cities have as to how they will pay these costs over the long haul," he said. But with this proposal and its push to put OPEB obligations in the financial report, "all of a sudden, the numbers will be out there staring at people, from the taxpayer to the

ernment obligations are generally aware that the costs are larger than that year's required payments, he said.

Indeed, Douglas Offerman, senior director of public finance at Fitch Ratings, said that the proposals probably won't have much impact on public entities' bond ratings. Offerman said that Fitch and other ratings agencies "have been looking at OPEB for

be affected by the new standard, if implemented, the rules would create a standardized method for reporting OPEB liabilities that would increase comparability between entities.

However, he doesn't foresee the proposals having all that much practical impact on the entities themselves. Moreover, he said, the shift essentially represents a reporting change and would not be "a heavy lift."

Peter Morris, a spokesperson for the New York State Division of the Budget, which oversees OPEB for state employees, noted that in some senses, business would continue as usual.

"The state continues to finance its share of these costs, along with all other employee health care expenses, on a [pay-as-you-go] basis," he said. "This dynamic would be unaffected by the GASB proposal, and our cash financial plan would not need to change."

NYSSCPA President **Scott M. Adair**, who is the CFO of the Rochester Genesee Regional Transportation Authority, felt that the impact of the proposals would be more understated. Adair noted that the affected entities are aware of their total liabilities, but having that information front-and-center in financial statements can help stakeholders better understand the impact of OPEB agreements and allow citizens to better understand what it actually costs to run a government on a daily basis.

"From the perspective of wanting clarity, as far as financial sustainability for governments goes, it's really important," he said. "These particular standards help in clarifying, to someone looking in as a lay person, the implications of what governments are doing in terms of contract settlements and negotiations."

Baynes made a similar point, saying that the increased visibility of already-existing information could substantially affect decision making for local government entities. Municipalities, he said, are "doing all they can to control the current and out-year costs of health insurance for their employees," but having increased transparency through the GASB proposal could "hopefully have the positive effect of making sure local officials, when they make their decisions, are fully aware of the legacy cost they will be leaving." He also expressed a need for education so that residents will understand what the changes would mean.

"When you go from a large liability not being listed to, all of a sudden, being there, you have to make sure the residents and other stakeholders understand it's a change on paper," Baynes said. "I'm sure there will be some public education challenges for municipalities."

**"When you go from a large liability not being listed to, all of a sudden, being there, you have to make sure the residents and other stakeholders understand it's a change on paper. I'm sure there will be some public education challenges for municipalities."**

— Peter A. Baynes, executive director of the New York State Conference of Mayors

ognize total OPEB liabilities, or the lifetime obligation toward the beneficiary. Currently, entities only recognize the net OPEB obligation—that is, the accumulated difference between the annual required contributions and the amount made toward those annual contributions.

According to Peter A. Baynes, executive director of the New York State Conference of Mayors, some municipal officials have expressed concern that the sudden appearance of a large liability might adversely affect their bond ratings and, by extension, their ability to fund bond issuances. After all, many municipalities are responsible for

bond markets," he added.

However, **Joseph E. Sartori Jr.**, chief financial officer of Chemung County in the Southern Tier, noted that while the primary users of government financial statements are indeed ratings agencies, these organizations already take the long-term view when it comes to OPEB obligations and tend to use a 10-year window in examining governmental entities. Moreover, he felt the new information that entities would have to include would surprise few financial managers; despite the fact that total liability is not currently reported on the face of the financial statements, people with an interest in gov-

some time" already and "are very much attuned to the commitments we're making today to retirees in the future and what that will cost." What's more, he said, many entities will often put the total liability in the notes anyway.

"I don't see a lot of changes in the way we look at OPEB or how it affects credit," he said. "Those obligations were always there."

## The practical impact

The new approach to OPEB will not be universal among all types of governmental entities. During an Aug. 8 webcast about the proposals, GASB Project Manager Scott A. Reeser said that how entities calculate total OPEB liability will vary, depending on how the benefit plan has been set up. If the benefits are provided through a trust, he said, the total OPEB liability will be deduced by recognizing changes in the fiduciary net position of the plan, with the difference being recorded as net. If the benefits are not provided through a trust, however, the total OPEB liability measured by the actuary would be the amount of liability recognized in the financial statements.

Of course, this requires projections of future costs and the criteria used to calculate them. The GASB said that projections of benefit payments would have to be based on claims costs, or age-adjusted premiums approximating claims costs, as well as the benefit terms and legal agreements that exist at the measurement date. Additionally, entities will need to account for the effects of projected salary changes if the OPEB formula incorporates future compensation levels, and service credits, if the OPEB formula incorporates periods of service. Entities would also need to account for projected automatic postemployment benefit changes, such as cost-of-living adjustments.

John Taylor, the executive deputy comptroller for operations at the New York State Office of the State Comptroller, said that while only 25 percent of local governments file using generally accepted accounting principles (GAAP) and would therefore

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# Currency

Continued from front page

gold rush of more than a century ago, **Edward J. Torres**, the task force chair, said the group had made it a goal to “try to help financial regulators and the public better understand an issue that is really going to change the landscape.”

“Our role as CPAs is one of educators,” he said. “We should be able to tell the public the benefits and risks of virtual currency.”

In addition, he said that it was important for the profession to have a voice during any talks about possible regulation of electronic currencies and to help bring a common sense approach to the discussion.

“I’ve seen in the past how regulations are created that don’t seem to be practical in their implementation,” he said. “If we can participate on the front end, we can help ensure that the things that are proposed make sense.”

Task force member **Karina Pinch** agreed.

“[Virtual currency] is becoming more widely used and accepted by mainstream businesses,” she said. CPAs, therefore, must stay on top of “how businesses can account for and understand” it, she added.

## Setting a high bar for businesses

Under the proposed DFS rules, entities dealing with virtual currencies will need to acquire a license from the DFS, called a BitLicense, if they are—

- receiving or transmitting virtual currency on behalf of consumers;
- securing, storing or maintaining custody or control of such virtual currency on the behalf of customers;
- performing retail conversion services, including the conversion or exchange of fiat currency or other value into virtual currency, the conversion or exchange of virtual currency into fiat currency or other value, or the conversion or exchange of one form of virtual currency into another form of virtual currency;
- buying and selling virtual currency as a customer business (as distinct from personal use); or
- controlling, administering or issuing a virtual currency. (This does not refer to virtual currency “miners,” or those who manufacture units of virtual currency through computational work.)

Exempted from the licensing requirements are those who utilize virtual currencies solely for the purchase or sale of goods or services, or those firms that have been chartered under New York banking law to conduct exchange services and are already approved by the DFS to engage in virtual currency business activity.

To get a license, applicants will need

to fulfill a long list of requirements. For starters, they will be asked to provide a background report prepared by an independent investigatory agency; detailed biographical information from the applicant and the applicant’s staff; a complete set of fingerprints; an organizational chart of the firm’s management structure; a list of affiliates (complete with an organizational chart detailing the various relationships); and an affidavit that describes any administrative, civil or criminal action, litigation or proceeding before a government agency, court or arbitration tribunal, in addition to any existing, pending or threatened actions.

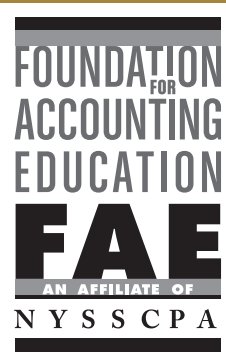
Licensees will then need to follow a number of rules and regulations in order to retain their permission to operate in New York state. Among many others, they will be required to hold virtual currency of the same type and amount as any virtual currency owed or obligated to a third party, to maintain a bond or trust account in U.S. dollars for the benefit of its customers, and provide clear and concise disclosures to consumers about potential risks associated with virtual currencies.

There are also a number of rules related specifically to anti-money laundering, not the least of which is a requirement that entities maintain the identity and physical address of all parties involved in virtual currency transactions, the amount or value of the transactions, when the transactions occurred, and a description of the transactions. Furthermore, firms, at minimum, must verify the identity of customers when opening accounts; maintain records of that identity; and monitor transactions that might be indicative of money laundering, tax evasion or any other illegal activity.

Licensees would also be required to maintain a cybersecurity program, have a designated qualified chief information officer, establish and maintain a written business continuity and disaster recovery plan, and notify the DFS of any emergency or other disruption to operations that may impair their ability to fulfill regulatory obligations.

While, at press time, the Society’s task force was still conferring on the specifics of its response to the proposed regulations, Torres said the fact that the state is even discussing regulation is encouraging.

“I’m very happy New York is taking the lead on this as the financial capital of our country,” he added. “This could be a game changer, and it’s important to hear from all areas, so as to make sure that the rules are implemented in an effective way.”



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# NYSSCPA calls for clearer guidance in FASB pushdown proposal

BY CHRIS GAETANO  
Trusted Professional Staff

Though the NYSSCPA largely agrees with a proposal by the Financial Accounting Standards Board (FASB) to standardize how entities use “pushdown” accounting—a practice in which a subsidiary’s financial statements reflect the acquiring company’s basis of accounting—it said that clearer guidance was needed in situations involving temporary change of control.

The Society voiced its concerns in a comment letter composed by members of its Financial Accounting Standards Committee and published on July 31. The letter was in response to the FASB’s Proposed Accounting Standards Update (ASU)—Business Combinations (Topic 805), Pushdown Accounting, a Consensus of the FASB Emerging Issues Task Force, which was issued in April.

According to **Margaret A. Wood**, an NYSSCPA past president and one of the comment letter’s authors, the proposed ASU has been long coming. The only current guidance about pushdown accounting comes from the Securities and Exchange Commission (SEC) staff accounting bulletins, which indicate that the method is to be used when a substantially wholly owned subsid-

ary issues separate financial statements. The SEC calls for pushdown accounting when a parent company assumes 95 percent or more of an entity, and prohibits it when a parent company owns less than 80 percent. However, Wood noted that this guidance only applies to SEC registrants. “There was nothing in the literature for nonpublic companies, which has resulted in divergence in practice, where some nonpublic companies have followed SEC guidance, while others have not,” she said.

As it stands, the FASB proposal would give any entity—whether public, private or not-for-profit—the option to use pushdown accounting in the event that another company acquires 50 percent or more of it. If the acquired entity accepts this option, it would reflect in its separate financial statements the acquirer’s new basis of accounting for the individual assets and liabilities, in accordance with FASB Accounting Standards Codification (ASC) Topic 805, Business Combinations.

If an entity is acquired by a company that it is not required to apply ASC 805, the subsidiary would have to reflect the new basis of accounting that would have been used had 805 been implemented, though if this results in a bargain purchase gain, the acquired entity would not recognize that gain in its income statement. Further, any acquisition-re-

lated debt incurred by the acquiring company would be recognized in the acquired entity’s financial statements, if the acquired entity is required to recognize a liability for that debt in accordance with other U.S. GAAP (generally accepted accounting principles) standards.

The acquired entity would also need to disclose information in the current reporting period to enable financial statement readers to evaluate the effect of pushdown accounting on its financial statements, as required in Topic 805 as applicable.

If the acquired entity does not elect to apply pushdown accounting, it would need to disclose in the current reporting period that the entity has undergone a change-in-control event; the election to continue using its historical basis that existed before the acquirer obtained control of the entity; the terms of the acquisition agreement, including purchase price, assets exchanged, earnouts, fair value of assets and liabilities acquired; and the fair value of the assets and liabilities acquired in the change of control, if available.

The Society agreed that pushdown accounting should be optional, as certain companies have loan covenants that would be difficult to renegotiate if they were forced to apply these rules. In addition, it commented that if a new basis of accounting has not been

established, the entity should reflect the fair value of the acquired entity’s assets and liabilities in the notes.

However, the NYSSCPA felt that the FASB proposal did not sufficiently account for temporary change in control, where a company may momentarily obtain control of more than 50 percent of another entity because it is, for example, retiring one piece of stock before issuing the next.

“If control is not maintained, we don’t think the option of adopting pushdown should be made available, especially if control will reverse shortly and ownership will go back to below 50 percent,” Wood said.

What’s more, she added, the Society had concerns about how the FASB defined the very concept of control itself. According to the proposal, she said, “noncontrolling rights may prevent an owner with more than 50 percent of voting shares [from having] controlling interest.”

“In that case, we don’t think pushdown should be used either, since control doesn’t really exist,” she said. “We asked the FASB to clarify that.”

If finalized, the amendments in the FASB proposal would apply prospectively to events in which an acquirer obtains control of an entity on or after the update’s effective date.

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## NYSSCPA comment letters

The following list includes comment letters released by the NYSSCPA between Aug. 1 and Aug. 31. To read all comment letters published by the Society, visit [www.nysscpa.org/page/society-comment-letters](http://www.nysscpa.org/page/society-comment-letters).

**Comments to the IESBA on an Exposure Draft: Proposed Changes to Certain Provisions of the Code Addressing Non-Assurance Services for Audit Clients:** Released Aug. 14 — Comments to the International Ethics Standards Board for Accountants (IESBA) on proposed changes to certain provisions addressing nonassurance services for audit clients.

**Comments to the IRS Regarding Application for Extension of Time to File an Exempt Organization Return:** Released Aug. 14 — Comments to the IRS Tax Exempt and Government Entities Division regarding Application for Extension of Time to File an Exempt Organization Return (Form 990), with the recommendation that a single six-month extension be employed.

**Comments to the New York City Department of Housing Preservation and Development—Form J-10b.2 Affidavit by Certified Public Accountants and Statement by Certified Public Accountants Required by Section 421(a):** Released Aug. 14 — Comments and suggestions to NYC HPD regarding appropriate form and language for the CPA’s certification on Form J-10b.2 Affidavit by Certified Public Accountants and Statement by Certified Public Accountants Required by Section 421(a).

## Society pans 990 extension process

BY CHRIS GAETANO  
Trusted Professional Staff

In a comment letter released on Aug. 14, the NYSSCPA urged the Internal Revenue Service (IRS) to streamline the way it handles extensions for exempt organization filings, arguing that the current setup is inefficient and puts an unnecessary burden on entities.

The letter was written by the Society’s Exempt Organizations Committee, in an effort to address what members saw as a long-standing problem that affects most nonprofits.

At the moment, exempt organizations that want more time to file their Form 990s can apply for a three-month extension from the IRS. If they’d like additional time, they must apply for a second three-month extension thereafter. In its comment letter, the Society said it would make more sense if exempt organizations could simply apply for a single six-month extension.

The current system, the Society said, creates additional work for both the filing entity and the IRS, as well as additional waiting time, given that an entity must get confirmation that its request has been granted

after the expiration of the first extension. The Society also noted that charities are the only entities that are bound to this pair of three-month filing deadlines; all other filers can apply a single time for a six-month extension. Moreover, the Society said, moving to a six-month extension would be in keeping with other state and federal reporting requirements. California and New Jersey, for example, have already implemented six-month extensions for their filing requirements, as has New York state.

**Matt F. Bobman**, a member of the Exempt Organizations Committee and one of the comment letter authors, added that if a nonprofit is late with its second extension filing, it can get hit with a \$5,000 penalty that, for a smaller organization, can put “enormous stress on its budget.” The penalty, he said, also zaps funds that “could obviously be used for [an entity’s] nonprofit purpose.”

“Basically, we’re trying to reduce the bureaucracy of operating as a small nonprofit,” he said. “If everyone else can get a six-month extension, then the nonprofit world should be entitled to that as well.”

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# Caught red-handed: what one case study reveals about fraud

BY DAVID ZWEIGHAFT, CPA/CFE, CPE

Certain situations increase the likelihood of fraud, such as when a trusted employee is under financial pressure, feels he deserves greater recognition or more pay, and has the ability to prepare and obtain approval for reimbursement of any travel and expense submissions. The following three conditions reflect the elements of the fraud triangle:

- An unshareable need, such as financial pressures arising from a gambling or drug habit, crushing medical bills or the habit of living beyond one's means

- The ability to rationalize the act of fraud and "make peace" with committing a crime

- The opportunity to commit the fraud by creating overstated expense reimbursement requests and the knowledge that the system of internal controls is sufficiently lax for such requests to be approved.

These conditions recently arose at a financial services information vendor, and the fraud scheme resulted in a material overstatement of expenses over a three-year period. A thorough and well-documented investigation allowed management to fire the miscreant, restate the financial results and file amended tax returns.

## The player

The schemer, Pat (whose name and all others in this case have been changed for anonymity), was responsible for business development, which required frequent travel and the entertaining of clients and vendors. Pat lived in a huge loft apartment in New York's trendy SoHo district and was very fond of modern art and fine dining. The apartment, expensively furnished and professionally decorated, had even been featured in design magazines. But Pat felt underpaid and jealous that the company's CEO (Jean), whom Pat had known for many years, earned much more money.

The company had offices in various financial capitals around the globe, with its executive offices in London (Jean's location) and its main operating office in New York (Pat's location). As the director of business development, Pat answered directly to Jean. The company's CFO, also based in London, was responsible for approving Pat's biweekly travel and expense reimbursement requests.

## The scheme

Pat developed the practice of keeping both the itemized meal receipt and the credit card receipt from restaurants and would submit both of them over the course of several months. To avoid detection, Pat would tear

off the top of the itemized receipt that contained the restaurant name and address, and would obliterate the receipt's date by writing the purpose of the meal and names of the attendees over it. The final totals on the respective receipts would differ by the amount of the tip; however the food and drink total would be the same.

A private booking agency managed the company's air travel, providing an itinerary and invoice (typically, in the form of an electronic document) for each trip taken. In order to extract additional value from this process, Pat would create a Word document that replicated the itinerary and invoice, and would include fictitious travel arrangements at inflated prices.

The scheme was detected when the company's local controller noted a large fluctuation in the travel and entertainment expense category and notified management, which authorized an investigation.

## Control weaknesses

All of these excessive charges were made possible because Pat used a personal credit card, rather than the company's corporate card. In addition, there was no reconciliation between the air travel invoices submitted by Pat and any corroborating data from the booking agency. Furthermore, the approval of the reimbursement requests by the London office created an information vacuum between Pat, the CFO and Jean. The officers in London had no idea of Pat's activities or travel.

## The investigation

In conducting the investigation, forensic accountants analyzed the amounts paid for all travel, as well as hotel and meal expenses. They noted amounts, dates of submission and any other information available. By analyzing the amounts of the meal receipts, they identified duplicate charges. Further analysis revealed that hotel bills had been redacted or otherwise altered to change the dates of stay and to delete the details of room-service charges. In addition, an e-discovery team made a forensic image of Pat's computer and discovered multiple document files of fictitious air travel invoices, as well as evidence of significant purchases of art, amounting to hundreds of thousands of dollars.

As a result of the procedures performed, the forensic accountants calculated that Pat had received almost \$500,000 in excess reimbursements over a three-year period. It should be noted that Jean's salary was \$175,000 greater than Pat's. Over the three-year period, the additional tax-free earnings

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See Fraud, on page 8

# NYSSCPA meets with NYC's new finance commissioner

BY CHRIS GAETANO  
*Trusted Professional Staff*

In a meeting with members of the NYSSCPA's New York, Multistate and Local Taxation Committee, Jacques Jiha, New York City's recently appointed Department of Finance commissioner, said he would improve transparency, equity and efficiency in the department and work to make it more customer oriented.

The meeting, held this summer at the Society's Wall Street office, was organized in

office collects some \$30 billion in revenue for the city and values more than 1 million properties worth upward of \$800 billion.

Appointed on April 8, Jiha has experience in both the private and public sector. He previously served as the executive vice president/chief operating officer and chief financial officer of Earl G. Graves, Ltd., a multimedia company, and was the deputy comptroller for Pension Investment and Public Finance in the Office of the New York State Comptroller.

During his talk, he said that his overall goals include better aligning New York City tax law with the statutes in New York state, updating the utility tax to better reflect a changing business model, reforming the real property income and expense process, providing tax relief for city residents who pay no federal or state personal income tax, and implementing property tax reform.

The committee, meanwhile, made a number of suggestions of its own, chief among which was the reinstatement of Tax RAPP, an all-day seminar program that brought together tax practitioners

and Finance Department staff for education. The department no longer offers the program, though Jiha acknowledged that it was popular. Other suggestions brought forth by the committee include—

- establishing an independent taxpayer advocate (The *Office of the New York State Taxpayer Rights Advocate* is currently housed within the New York State Department of Taxation and Finance, in contrast to the federal Taxpayer Advocate, which is its own independent office outside the IRS.);
- creating a tax practitioner hotline;
- publishing and regularly updating a comprehensive contact list for the department, including a structure chart; and
- offering online access for estimated

tax payments.

Dauman said that, overall, Jiha was receptive to the input, noting that "it didn't feel like [he was paying] lip service," but that he seemed genuinely interested in members' feedback. Dauman added that there is already a plan in place for another meeting to be held in the middle of August as well as quarterly meetings, going forward, with the department and members of the committee.

The meetings, Dauman pointed out, are important because they give Society members—and CPAs, in general—a forum. They're an opportunity, he said, to share ideas, voice complaints and "hear what's on the other side."

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From left: Richard A. Dauman, chair of the NYSSCPA's New York, Multistate and Local Taxation Committee, with Jacques Jiha, New York City's recently appointed Department of Finance commissioner, and committee member Barry H. Horowitz.

an effort to boost the working relationship between the department and the practitioners who interact with it, said committee chair **Richard A. Dauman**. According to the Department of Finance website, the

## Fraud

*Continued from page 7*

from the scheme brought Pat's total compensation to a level equivalent to Jean's. The company chose not to file criminal charges against Pat or to file an insurance claim because it was actively seeking to be acquired by a larger company and did not want to draw attention to the theft, the breakdown of internal controls and the related management failure.

Based upon the findings of the forensic accountants, the controller restated the in-

ternal financial results of the company, re-allocating the amounts embezzled from travel and entertainment expense to casualty loss. The tax treatment for this situation required filing amended returns in order to reduce the meals and entertainment item, and to reflect the offsetting amount on IRS Form 4684, Casualties and Thefts, Section B, Part II.

*David Zweighaft, CPA/CFE, CPE, is managing director at DSZ Forensic Accounting & Consulting Services LLC in New York City.*

*This story first appeared in the NYSSCPA's Tax Stringer.*

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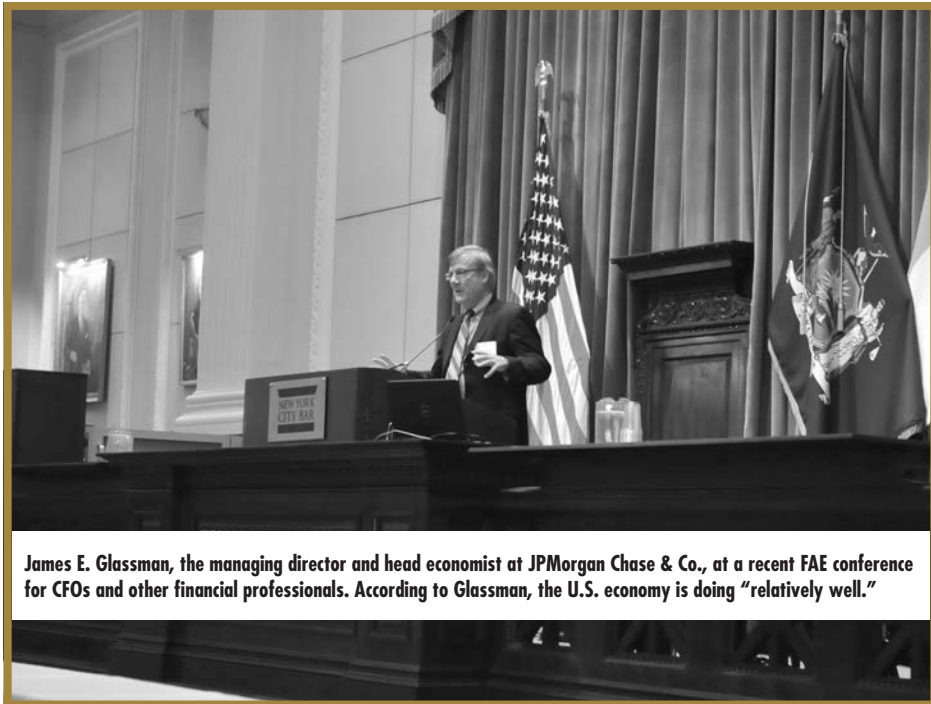
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# F&E speaker: U.S. crash could have been worse



James E. Glassman, the managing director and head economist at JPMorgan Chase & Co., at a recent F&E conference for CFOs and other financial professionals. According to Glassman, the U.S. economy is doing "relatively well."

BY CHRIS GAETANO  
*Trusted Professional Staff*

Despite the financial *Sturm und Drang* of the last few years, James E. Glassman, managing director and head economist at JPMorgan Chase & Co., said that if he were to grade the United States on its economic recovery, he would give it an A. Surprised? Glassman, who made his remarks during the Foundation for Accounting Education's recent CFOs, Controllers, Treasurers, and Financial Professionals Conference, said the nation deserves some credit—things could have been much worse.

"My guess is if I asked you to grade the economic recovery, most people would give it a C. It's been, by [some measures], a 'lot' recovery—a lot of pain, a lot of unemployment," he said. "But my perspective comes from my school days, back when you were graded on a curve. ... When you look at what's been going on, I give it an A on a curved score."

He offered Japan as an example of how the crash might have been markedly worse. Japan had a financial crisis of its own in the '80s, in which its real estate market, its stock market and its economy, as a whole, took a nosedive. It took the country two decades to begin climbing out of that hole. By contrast, the economic crisis in the United States began in 2007, and, as of this summer, the jobless rate has dropped to 6.1 percent—the fastest decline since the 1950s, Glassman said.

"The fact that we're moving forward and a debate has built around when the Fed will raise [interest] rates is very telling," he not-

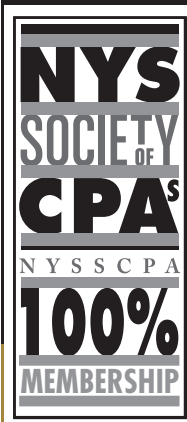
ed. "When you think of the U.S. economy and the challenges we faced, you have to give the economy an A ... because it's done quite well, relative to what was holding us back."

According to Glassman, what makes the United States different from Japan, allowing it to bounce back much more easily, is the nature of our financial system. For example, he said, bankruptcy here is seen as "a mechanism for calling time out and working out your problems," rather than as an announcement that the company will soon cease to exist, as in other countries. In addition, Glassman explained that, relative to the European Union (EU) and Japan, the United States had securitized most of its residential loans.

"When we make mistakes and property values get way out of line ... the market forces a discipline on us that they didn't have in Japan or Europe," he said. "Banks had to mark to market the value of their portfolios to reconcile with the new reality, and as a result I think the mechanism helped us clear the decks more quickly and get this problem behind us in a way the Japanese did not."

Japan took on a philosophy of, "Let's earn our way out of the problem," which takes much longer than simply biting the bullet, accepting the loss and moving on, Glassman said.

As a result of this structure, he added, the U.S. economy is doing relatively well: The equity market is "in record territory" and there are "huge opportunities opening up globally, and our business community is benefiting from that." He dismissed concerns that this is due to distortions from the Federal Reserve's move to keep interest rates at



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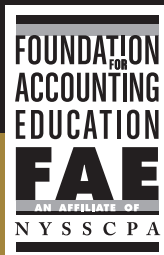
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See Crash, on page 10



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# Crash

*Continued from page 9*

near-zero levels, as the Fed does not create profits or control the stock market.

“The market is taking its cue from what goes on in the business community, which is generating profitability we’ve never seen before, partly because the business community is always the first to come alive when things get moving,” he said. “They get their costs in line and things improve.”

Of course, Glassman, who categorized a lot of economic data as being “a mess,” said that the flood of numbers coming out doesn’t help people to understand the recovery any better. For instance, he said that according to gross domestic product (GDP) statistics, the economy shrank 3 percent in the first quarter. However, we don’t know what happened in the second quarter, and if it turns out to have grown 3 percent—as some feel it will—that means the U.S. economy didn’t shrink but *stalled* in the first half of the year. Meanwhile, on the supply side, employment has been growing by 230,000 jobs a month this year, up from about 180,000 to 190,000 last year. Further, total hours worked, which, Glassman said, “is the closest approximation we have to what goes on in national activity,” has accelerated to a 3.5 percent annualized pace this year, vs. 2 percent last year, while layoffs have been getting closer.

So, which stat do you believe? Glassman said that economists generally favor looking at the employment side, though he added that even this can be problematic if you fo-

cus on the wrong things. For example, just because someone isn’t unemployed doesn’t mean they’re not underemployed—many companies chose to reduce hours rather than fire workers outright, so they’re not counted as jobless. Moreover, many young people chose to go back to school during the recession, so that even though they’re *technically* unemployed, they’re not counted as jobless, either. Still, he felt that as long as you don’t take such numbers as the sole metric by which to judge an economy’s health, they can be a useful indicator of what’s happening right now.

Another useful metric, he said, is inflation. In fact, he said, inflation is what tells him that, while progress is definitely being made, the economy still hasn’t made a full recovery.

“It’s running below 2 percent, and the Fed’s aim is to get it to 2 percent,” he said. “It may take more than you think to get there because we need a fully employed economy to get the demand strong enough. ... Even though the markets smell recovery, from the Fed perspective, we’re not there yet, so this is why you hear [Fed Chair Janet Yellen] say the economy is doing fine, but there’s still a lot of work to do.”

Glassman estimated that the country still needs a good three to five years of solid growth before the economy is being utilized to its full potential.

*cgaetano@nysscpa.org*

## UPCOMING INDUSTRY COMMITTEE MEETINGS

Construction Contractors	Thurs., Sept. 25
Entertainment, Arts and Sports	Tues., Oct. 21
Fashion and Furnishings	Thurs., Sept. 18
Internal Audit	Thurs., Sept. 18
Real Estate	Wed., Oct. 8

This is a partial listing, which is subject to change. For a complete and updated listing of meetings, visit [www.nysscpa.org](http://www.nysscpa.org), click on “About Us,” and choose “Committees” from the drop-down menu.

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## UPCOMING CONFERENCES

Private Equity and Venture Capital Conference	Tues., Oct. 14
Construction Contractors Conference	Wed., Oct. 22



# Courting trouble?

## How to determine if a problematic client is worth the hassle—or is a disaster waiting to happen

BY SUZANNE M. HOLL, CPA

**A**ny client, whether new or established, can become problematic for a variety of reasons. For example, a problem client may—

- be unhappy with the results of an engagement, though there was nothing wrong with the services performed;
- believe that the CPA rendered substandard services (especially if the client is unhappy with the results);
- manage financial affairs poorly, creating maelstroms for which the CPA is held responsible;
- be financially irresponsible and more inclined to blame the CPA when finances take a downturn;
- owe so much money to the CPA that the client believes a malpractice claim will eliminate or reduce the amount owed.

CPA firms should evaluate all potential new clients and re-evaluate all current clients on a regular basis, at least annually. This enables the firm to better monitor clients, consider any changes that might affect the professional relationship and avoid situations that could escalate into crises. Firms can also stipulate in their engagement letters that the engagement is not binding until client acceptance procedures have been completed.

The following questions are designed to help CPAs conduct the due diligence needed to ensure that the client is a good fit for the firm, and that the firm is comfortable with the client.

### 1) Is the engagement a good match for the firm's expertise?

If the firm accepts an engagement for which it is not professionally staffed or qualified, it runs the risk of disappointing the client, or a third party, and exposing itself to litigation and ethics violations. Due care demands that firms a) are capable of performing the services required by the engagements they accept and b) are performing the services often enough to become proficient at them.

Firms that “dabble” in services outside their areas of expertise are typically not practicing them often enough to become proficient. Indeed, services that represent less than 15 percent of a firm's service concentration produce disproportionately high loss ratios.

Proficiency in any type of engagement includes the ability to identify risk stress points in the engagement. CPAs are expected to possess a thorough understanding of the client's business or industry in order to iden-

tify those stress points. Establish a policy for what types of engagements the firm will avoid because of a lack of technical expertise.

### 2) Is the client the kind of client the firm would like to have?

A variety of factors need to be considered in answering this question, ranging from the client's reputation and integrity, to its commitment to appropriate accounting practices and internal controls. CPAs should communicate with predecessor accountants and third parties to obtain as much information as possible about the client.

Are the client's expectations of CPAs reasonable? Does the client appropriately value CPAs' services and advice? Once the firm has the information it needs, it can explore ways to cultivate the kinds of business it wants.

Other important considerations will depend on the type of client or engagement in question. For some engagements, CPAs will need to consider potential or actual conflicts of interest and whether their independence and objectivity are impaired in appearance or in fact, especially when considering services for attestation clients.

### 3) Is the client financially viable?

The answer to this question is critical, especially in avoiding fee-collection problems and disputes. Much of the information needed can be obtained by—

- interviewing the client and the client's key personnel, banker, attorney, predecessor accountants and auditors;
- running a credit check;
- examining the past three years of financial statements;
- examining the past three years of tax returns; and
- examining the prior CPA's management letters.

### Background checks

Background checks should be considered for all significant engagements. Credit checks and public-record checks are critical, but background checks are about more than the financial condition of the client. The questions the CPA firm should ask include the following:

- Why was the firm selected for this engagement?
- What was the source of the referral?
- What business is the client in?
- Is the engagement within the firm's areas of expertise? Is it risky?
- Are the rewards of the engagement worth the risk?
- Will the engagement create any conflicts of interest (actual or potential) for the firm?

• Are the business and accounting records adequate and in order, or disorganized?

• Are the financial statements and tax returns for the past three years consistent?

• What is the client's financial track record? Have there been bankruptcies or business failures?

• What is the client's level of financial sophistication (especially among its accounting staff)?

• Is there high staff turnover?

• Is a key partner or employee leaving?

• Is the client of a litigious nature, judging from conversations with prior accountants and/or attorneys?

• Is the financial knowledge of the client acute?

Regardless of the services the CPA is being asked to perform, client screening should be done during the period between the client's first contact with the CPA and the signing of the engagement letter (the “pre-engagement” period). Much of the information needed can be obtained at the client interview and verified later through other interviews. The more information ob-

tained, the better the assessment of risk.

In a CPA partnership or professional corporation, it is a common practice for another partner or a client committee to review the client-screening information and to pass judgment on the acceptability of a new client.

There are high-risk clients and high-risk engagements. Some CPAs rank their clients according to how cooperative, knowledgeable, reasonable, difficult or time-consuming they are. Engagements can be ranked as well by the complexity of the work. Generally, difficult clients with complex work pose the highest risk to the firm, and risk management then becomes all the more essential.

*Suzanne M. Holl, CPA, senior vice president of loss prevention services at Camico (www.camico.com), has more than 18 years of experience in Big Four public accounting and private industry.*

**For information on the Camico program, call Camico directly at 800-652-1772, or contact: (Upstate) Reggie DeJean, Lawley Service, Inc., 716-849-8618, and (Downstate) Dan Hudson, Chesapeake Professional Liability Brokers, Inc., 410-757-1932.**



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## Public Company Accounting and Auditing Conference (Formerly SEC Conference)

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September 8, 8 CPE

**Introduction to Tax Exemption**  
September 8, 2 CPE

**Current Development and  
Best Practices for Today's  
CFOs and Controllers**  
September 9, 8 CPE

**Federal Tax Update—Nichols'  
Notes**  
September 17, 2 CPE

**Technology Assurance/  
Cyber Security Conference**  
September 18, 8 CPE

**Health Care Conference**  
September 23, 8 CPE

**ObamaCare and Fringe  
Benefits: 2014 and Beyond**  
September 29, 8 CPE

**The Best Individual Income  
Tax Update by Surgent**  
September 30, 8 CPE

**Private Equity and  
Venture Capital Conference**  
October 14, 8 CPE

**Advanced Excel**  
October 16, 8 CPE

**Attributes of an Effective  
Anti-Fraud Program**  
October 16, 2 CPE

**Excel PivotTable  
for Accountants**  
October 17, 8 CPE

**New York State  
Taxation Conference**  
October 20, 8 CPE

**How to Handle a New York  
State Tax Audit:  
Soup to Nuts!**  
October 21, 2 CPE

**Construction Contractors  
Conference**  
October 22, 8.5 CPE

**Anti—Money Laundering  
Conference**  
October 23, 8 CPE

**Tax Planning Strategies for  
Small Businesses: Corporations,  
Partnerships, and LLCs**  
October 24, 4 CPE

**AICPA's Annual  
Update for Controllers**  
October 24, 8 CPE

**Public Company Accounting  
and Auditing Conference**  
(formerly SEC Conference)  
October 28, 8 CPE

**Business and Industry  
Conference**  
October 30, 8 CPE

**What You Need to Do Now  
in Estate Planning Under the  
New Tax Law**  
November 3, 8 CPE

**Private Company Accounting  
and Auditing Conference**  
November 4, 8 CPE

**Applying OMB Circular A-133 to  
Nonprofit and Governmental  
Organizations**  
November 4, 8 CPE

**Alternative Investment Fund  
Conference**  
(formerly Investment  
Companies Conference)  
November 5, 8.5 CPE

**Social Security Benefits:  
Advising Clients**  
November 5, 8 CPE

**Surgent McCoy's Advanced  
Technical Forms Training—  
LLCs, S Corps, and  
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November 6, 8 CPE

**Revenue Recognition: Getting  
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November 6, 8 CPE

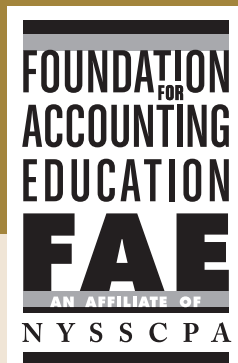
**Surgent McCoy's Handbook  
for Mastering Basis,  
Distributions, and Loss  
Limitation Issues**  
November 7, 8 CPE

**Auditing and Accounting Guide  
for State and Local Governments**  
November 7, 8 CPE

**The New Reporting Option:  
A Financial Reporting  
Framework for Small and  
Medium-Sized Entities**  
November 10, 8 CPE

**Audit Workpapers:  
Documenting and Reviewing  
Field Work**  
November 10, 8 CPE





**OCTOBER 20, 2014**

New York City Bar Association  
(also available via Live Webcast)

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**Tim Noonan, JD,**  
Partner, *Hodgson Russ LLP*,  
who litigated *Gaied*



**Margaret Neri, Esq.,**  
The New Taxpayer Rights  
Advocate and Ethics Officer,  
*NYSDF*



**Argi O'Leary, Esq.,**  
Deputy Commissioner, Office of  
Collections & Civil Enforcement  
Division, *NYSDF*

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Continued from page 13

# Society, FAE award student scholarships

BY ALONZA ROBERTSON  
*Trusted Professional Correspondent*

**T**he NYSSCPA and its Foundation for Accounting Education (FAE) have awarded 68 New York college students Excellence in Accounting Scholarships for the 2014–2015 school year.

The scholarship, which was established in 1990, assists deserving undergraduates who hope to enter the profession.

Fifty-seven college students received a \$2,500 scholarship, six received \$1,250, one received \$1,000 and four received \$500 grants sponsored by accounting firm Anchin, Block & Anchin LLP.

Three students who had previously graduated from the FAE’s Career Opportunities in the Accounting Profession (COAP) program each received \$10,000 scholarships.

“The Foundation for Accounting Education takes great pride in awarding these scholarships to truly deserving students in an effort to support their educational goals,” said FAE President-elect **Jennifer R. George**. “By encouraging top-level students to enter the field of accounting, we hope to strengthen the profession as a whole.”

NYSSCPA members support the next

generation of CPAs at the local level as well, with some chapters offering their own monetary awards to students.

Students receiving the \$2,500 scholarships must be declared accounting majors and have achieved an overall cumulative grade point average of 3.0 or higher. Students also must be eligible for financial aid to receive the scholarships. FAE has dedicated campus liaisons at 47 colleges in New York state to help identify students eligible for these scholarships.

The \$10,000 scholarships were awarded to high school students who have graduated from the COAP program and will be starting college in the fall. COAP scholarship winners will receive the \$10,000 over the next five years toward their tuition in an accounting program in a New York state college or university.

For a list of winners, visit [www.trustedprofessional.com](http://www.trustedprofessional.com). To learn more about the FAE Scholarships, eligibility and requirements, go to [www.nysscpa.org/page/future-cpas/college-students](http://www.nysscpa.org/page/future-cpas/college-students).

*arobertson@nysscpa.org*



8. COAP Pace students pose for a group shot at their banquet dinner; 9. COAP LIU students find time for a little fun.



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# Doing the Right Thing

## Serving the public interest: a CPA's first and foremost concern

BY THOMAS RAY, CPA

*Editor's Note: Welcome to The Trusted Professional's monthly column, Doing the Right Thing. Written by members of the NYSSCPA's Professional Ethics Committee, it takes an in-depth look at how the Code of Professional Conduct can be applied to practical concerns.*

Licensed professionals hold a special place in society, and the general public has high expectations about the quality of their work and their behavior. CPAs, in particular, have been granted a nearly exclusive franchise to provide attestation services. In return for the trust society has placed in our profession, CPAs owe fidelity to society and the public interest. It is of such importance that all CPAs should keep this top-of-mind whenever providing professional services.

Indeed, possibly the most important principle in the AICPA's Code of Professional Conduct—which the NYSSCPA voted to adopt as its own in 2013—is Article II, The Public Interest. Article II reveals many of the profession's core responsibilities: It requires members to accept an obligation to act in a way that will serve the public interest, honor the public trust and demonstrate a commitment to professionalism. What does this mean?

First, CPAs must be objective when providing any professional service. That is, the professional has an obligation to be impartial, intellectually honest and free of conflicts of interest. The public relies on both the objectivity and integrity of CPAs to maintain

the orderly functioning of commerce. To act in an impaired manner would diminish the value of the service and ultimately cause the public to lose confidence in the profession.

Second, Article II recognizes that a CPA may encounter conflicting pressures from different groups the profession serves. For example, the desires of client management might result in bias in the way information of interest to other parties is presented. In resolving such conflicts, CPAs should act with integrity, guided by the precept that when the professional fulfills his or her responsibility to the public, the client's interests are also best served, regardless of the immediate consequences. Integrity also requires CPAs to be honest and candid, and to never subordinate the public's trust to personal gain or advantage.

Third, CPAs are expected to provide all professional services with due professional care, that is, to discharge their professional responsibilities with competence and diligence. Because a professional possesses special competencies and skills, the general public is not in a position to independently evaluate the quality of the services and must therefore trust that the professional will provide those services to the best of his or her ability. Article II requires CPAs to commit themselves to honor that public trust. In return for the faith that the public has in them, CPAs should continually seek to demonstrate their dedication to professional excellence.

*Thomas Ray, CPA, is a Distinguished Lecturer in the Stan Ross Department of Accountancy at Baruch College, City University of New York, where he teaches auditing, and is a former PCAOB chief auditor and director of*

*professional standards.*

*This article is for informational purposes only.*

*For further guidance on professional issues, please see the AICPA Code of Professional Conduct.*

**OCTOBER 23, 2014**  
 FAE Learning Center  
 New York City  
*(also available via Live Webcast)*



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**Juan C. Zarate, Esq.,**  
 Senior Advisor, Center for Strategic and International Studies; Author of Treasury's War: The Unleashing of a New Era of Financial Warfare

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**Robert Werner, Esq.,**  
 Global Head, Financial Crimes Compliance; Group General Manager, HSBC

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# CHAPTER NEWS

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## Buffalo tackles Nonprofit Revitalization Act with multiple events

BY SARAH M. HOPKINS

*Buffalo Chapter Nonprofit Committee Chair*

The New York State Nonprofit Revitalization Act, passed by the state legislature in June 2013 and signed into law by Governor Andrew M. Cuomo in December 2013, is the first major overhaul of laws governing the state's nonprofit sector in more than 40 years. The three primary objectives of the act are to eliminate unnecessary

administrative and procedural burdens, modernize antiquated requirements and enhance nonprofit governance and oversight. Among the more significant changes, nonprofits will be required to adopt independent director rules, conflict of interest policies, whistleblower policies, rules for related party transactions, board governance provisions and audit oversight rules. The majority of the requirements of the Act became effective on July 1, 2014.

With less than seven months to comply

with a law that took more than two years to pass, the Buffalo Chapter took every opportunity to educate its members about the new law. A CPE session that preceded the Education Night Dinner in April, "Hot Topics for Not for Profits," included a one-hour session on the Revitalization Act. The Spring Mixer, a CPE and networking event organized by the chapter's Nonprofit Committee, also featured a one-hour session on the legislation; in June, the Nonprofit Committee co-host-

ed a two-hour panel discussion about it with the Bar Association of Erie County.

But we aren't done yet—governance of nonprofits will also be one of the sessions for our Nonprofit Committee's fall breakfast series. Look for event details on the Buffalo Chapter page at [www.nysscpa.org/buffalo](http://www.nysscpa.org/buffalo).

*shopkins@lumsden CPA.com*

## Manhattan/Bronx rings in fall with technical sessions and social events

BY IRALMA POZO

*Manhattan/Bronx Chapter President*

I hope that you are well and enjoyed the summer. Labor Day has come and gone, and busy season will soon be upon us. The Manhattan/Bronx Chapter and its committees are working to provide various technical, social and self-development opportunities to our members before and after the fall tax deadlines.

The chapter would like to thank **Anthony J. Enea, Esq.**, for giving an informative presentation on asset preservation and estate planning for seniors and their families to approximately a dozen members on July 19. This session offered an in-depth look at critical issues facing senior clients, including Medicaid basics and eligibility; effective strategies for protecting a client's assets (important documents, the use of revocable and irrevocable trusts, etc.); and long-term care considerations.

Please take note of our upcoming events:

•Sept. 9—Professional Skills Enhancement Series, Part 3: Creating and Actualizing Vision—FAE Learning Center

•Oct. 17—The NextGen Committee (formerly the YCPA Committee) will be organizing a New York Cares Team to help beautify New York City Schools.

•Oct. 20—The Banking Committee Golf Outing at the Pelham and Split Rock Golf Courses. Net proceeds from the event will benefit the Ted Wilson Scholarship Fund.

•Nov. 17—Annual Town Hall/Ethics session

Stay tuned for more technical sessions and social events and check our web page ([www.nysscpa.org/manhattan](http://www.nysscpa.org/manhattan)) and Facebook page ([www.facebook.com/ManhattanBronxChapter](http://www.facebook.com/ManhattanBronxChapter)) regularly for updates.

Also, please let your nonmember colleagues know about the benefits that come with being a member of the Society and the chapter. Better yet, bring them along to an FAE or chapter event.

If you're not receiving the Chapter's Weekly Digest, contact Lelia Dickenson, manager of chapter relations at the Society, at [ldickenson@nysscpa.org](mailto:ldickenson@nysscpa.org).

*pozo.iralma@gmail.com*



**IRALMA POZO**  
*Man/Bx Chapter President*



**OCTOBER 14, 2014**  
New York City Bar Association  
(also available via Live Webcast)

## Private Equity and Venture Capital Conference

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**William J. Delmage,**  
Assistant Regional Director  
SEC

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# At 27, COAP program continues to win over the next generation

BY ALONZA ROBERTSON  
Trusted Professional Correspondent

They came from every corner of New York state—the 250 high school juniors who participated in this year’s Career Opportunities in the Accounting Profession (COAP) program—and they came with a shared goal: to get a first-hand glimpse of life in the profession. But, like scores of students before them, they left with more than they could have imagined.

A free, five-day summer program for 11th graders, COAP was created by the NYSSCPA and its Foundation for Accounting Education (FAE) to introduce young people to the profession, with a special emphasis on students from minority groups historically underrepresented in the field.

Now in its 27th year, COAP has offered more than 3,000 high school students the chance to learn about business-career opportunities and have direct interaction with CPAs. Participants are also eligible for a college scholarship that provides \$2,000 per year for up to five years for students studying accounting at a college or university in New York, with the goal of becoming a CPA.

As one measure of the program’s success, in a survey of 50 COAP participants that the Society conducted last year, nearly 80 percent of respondents said they have gone on to college or planned to attend college, and more than 75 percent reported that COAP had influenced their choice of college major. Nearly all participants agreed, though, that the program gave them a greater appreciation of the role of accountants and CPAs in the business world.

For Buffalo Chapter President **Thomas M. Burns**, the program is key to the Society’s efforts to attract a wider range of voices to the accounting world, as the face of the country changes.

“It’s very important for our profession to keep up-to-date with what’s happening with the rest of the U.S. population,” he said. “We definitely need to diversify.”

This summer, COAP programs were held at 11 different public and private universities, including Adelphi University; the Rochester Institute of Technology; Long Island University; the State University of New York (SUNY) at New Paltz, Albany, Buffalo and Oswego; Pace University; St. John’s Univer-

sity (Staten Island and Queens campuses); and Westchester Community College. Each program included a tailored curriculum of business and personal-development courses. In addition to the classroom sessions, participants also visited corporations, accounting firms and government agencies.

For some students, it was their first experience away from home. For others, it was their first time sharing a dormitory room. For all, it was an eye-opening introduction to college and the world of accounting.

For example, participants in the St. John’s University Staten Island COAP program toured the Manhattan offices of Joseph Borrino, the CFO of Roc Nation, LLC, an entertainment company founded by rapper Jay-Z.

Borrino told students that being a CPA is about much more than crunching numbers—it’s about helping to manage budgets, execute business plans and build relationships, he said. (And there were two other great perks in Borrino’s case: a relaxed dress code and opportunities to attend Yankee games with Jay-Z and his superstar wife Beyoncé.)

Meanwhile, students who attended the COAP program at SUNY’s University at Buffalo got to visit New Era Cap Company, an apparel company that produces baseball caps for the Yankees and other sports teams. New Era CPAs also emphasized that their jobs went well beyond pushing paper or adding sums—a message that resonated with students. Upon the group’s return to the Buffalo campus, **Ann Burstein Cohen**, a Buffalo Chapter member who has led the COAP program for the last nine years, took a quick poll. “How many of you want to pursue a career in accounting?” she asked. Every hand in the room shot up.

At COAP programs around the state, many of the students experienced college life for the first time by living in a residence hall. (Two programs, SUNY New Paltz and Westchester Community College, were commuter programs, however, in which students participated during the day but spent nights at home.) At first, dealing with communal bathrooms and getting their first taste of college cafeteria food was a bit unsettling for some.

At the University at Albany program, Alex Metz, the NYSSCPA’s manager of membership and chapter engagement and a volunteer COAP counselor, said that one student found the experience so difficult that he pri-



vately asked to be sent home.

“He didn’t like staying in a dorm where he had to share a bedroom, bathroom and shower,” Metz said. “He didn’t like waking up early and he thought the food on campus was terrible. I told him that he could take all the AP or IB high school classes he wanted, but nothing was going to truly prepare him for college like the COAP program.”

“Twenty minutes later I saw him running around the dorm’s hallway laughing and high-fiving his buddies,” Metz continued. “And he ended up completing the program. COAP isn’t just about learning about accounting opportunities; it’s about learning

how to embrace all of the character-building things that college will teach you—whether you are ready for it or not.”

[arobertson@nysscpa.org](mailto:arobertson@nysscpa.org)

*Additional reporting by Diane Abela, Christa Chance, Lelia Dickenson, Xio Fox, Meenu Jacob, Alex Metz, Tekecha Morgan, Sandia Raghbir, Anna Rakovsky, Jeff Slipek and Sarah Young. For more on COAP, visit [nysscpa.org/futurecpas.com](http://nysscpa.org/futurecpas.com).*



**1.** Students from COAP Buffalo participate in a workshop at PwC; **2.** COAP LIU students learn about accounting career paths; **3.** COAP New Paltz students at their banquet dinner; **4.** COAP Pace students listen to a discussion about various accounting organizations; **5.** COAP Buffalo students pose for a group shot; **6.** COAP Pace students share their experiences in the program during the closing ceremony; **7.** COAP LIU students at their banquet dinner.

# CHAPTER EVENTS AND CPE

## BUFFALO

### Young Professional Golf Tournament

**When:** Sept. 18, 10:45 a.m. (registration/lunch); 12 p.m. (shotgun start)

**Where:** Arrowhead Golf Club, 12292 Clarence Center Road, Akron

**Cost:** \$75 per golfer; \$350 for four golfers and hole

**Course Code:** 45010501

**Contact:** Jeremy Blecha at jblecha@tsacpa.com

## MANHATTAN/BRONX

### Creating and Actualizing Vision (Professional Skills Enhancement Series 3 of 3)

**When:** Sept. 9, 6–8 p.m.

**Where:** FAE Learning Center, 14 Wall St., 19th Floor

**Cost:** \$25 members; \$35 nonmembers; \$45 walk-ins

**CPE:** 2 (advisory services)

**Course Code:** 29152502

**Contact:** Barbara Marino at bmarino@thehackettgroup.com

### Manhattan/Bronx Annual Golf Outing

**When:** Oct. 20, 10:30–11:30 a.m. (BBQ lunch and registration); 12:30 p.m. (shotgun start)

**Where:** Pelham Bay and Split Rock Golf Course, 870 Shore Road, Bronx

**Cost:** \$300 per golfer

**Contact:** Gene Shear at 212-372-1202

## MID HUDSON CHAPTER

### Accounting and Auditing Update

*With Guest Speaker: Renee Rampulla*

**When:** Oct. 23, 9 a.m.–5 p.m. (8:30 a.m. check-in)

**Where:** The Poughkeepsie Grand Hotel, 40 Civic Center Plaza

**Cost:** \$175 members; \$225 nonmembers

**CPE:** 8 (4 accounting, 4 auditing)

**Course Code:** 28102532

**Contact:** Michelle S. O'Reilly at moreilly@odpkf.com

## NASSAU

### Nassau Chapter's CFO Committee Presents:

#### Non-Traditional Financing Options

**When:** Sept. 4, 8–10 a.m.

**Where:** Law Office of Meltzer, Lippe

**Cost:** \$10 per person

**CPE:** 2 (advisory services and specialized knowledge)

**Course Code:** 29032504

**Contact:** Anthony Aronica at aaronica@graphicpaper.com

### Fall Joint Nassau/Suffolk Banker/CPA

#### Networking Event

*(Sponsored by the Cooperation with Bankers Committees of the Nassau and Suffolk Chapters)*

**When:** Oct. 2, 6–9 p.m.

**Where:** Main Event, 1815 Broad Hollow Road, Farmingdale

**Cost:** \$60 per person; \$70 at door

**Contact:** Danielle Napolitano at DNapolitano@bethpagefcu.com, or Irene Howell at ihowell@avz.com

### Nassau Chapter Annual Half Day Tax Conference

**When:** Oct. 25, 9 a.m.–12:40 p.m. (8:30 a.m. check-in)

**Where:** New York Life Insurance Company, 576 Broadhollow Road, Melville (building next to main building)

**Cost:** \$85 members; \$135 nonmembers

**CPE:** 4 (taxation)

**Course Code:** 28603521

## QUEENS/BROOKLYN

### CPA and Attorney Networking Dinner

**When:** Sept. 17

**Where:** Jade Eatery and Lounge, Forest Hills

**Cost:** Free for confirmed members by 9/3; \$20 after 9/3

**Course Code:** 45160502

**Contact:** Rosslyn Khunovich at rosslyn@gmail.com

### Queens/Brooklyn Chapter Annual Tax Conference

**When:** Oct. 29, 8:50 a.m.–5:10 p.m. (8:30 a.m. check-in)

**Where:** NYS Department of Taxation and Finance, 15 Metro Tech Center, Brooklyn

**Cost:** \$100 members; \$125 nonmembers

**CPE:** 8 (taxation)

**Course Code:** 28616512

## ROCHESTER

### Rochester Chapter Technical Session

#### 2014 Technology Update

**When:** September 19, 1:00 a.m.–4:00 a.m.

**Where:** Locust Hill Country Club

**Cost:** \$35 Member, \$50 nonmember, \$15 student

**CPE:** 3 (Specialized Knowledge)

**Course Code:** 29055502

**Contact:** Mark Forte, mark.forte@freedmaxick.com

## ROCKLAND

### Foreign Account Tax Compliance Act (FATCA) Update

**When:** Sept. 30, 8:30–11:30 a.m.

**Where:** Casa Mia Manor House, Blauvelt

**Cost:** \$35 members; \$50 nonmembers

**CPE:** 3 (taxation)

**Course Code:** 29176506

**Contact:** Shari Berk at shari@seberkcpapc.com

### Making Government Benefits Work for You; Understanding Social Security and Medicare Benefits

**When:** Nov. 4, 8:30–11:30 a.m.

**Where:** Casa Mia Manor House

**Cost:** \$35 members; \$50 nonmembers

**CPE:** 3 (specialized knowledge and applications)

**Course Code:** 29175505

**Contact:** Shari Berk at shari@seberkcpapc.com

## Your next smart career move starts here.



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Read the magazine online at [nysscpa.org/nextgen](http://nysscpa.org/nextgen).



## SOUTHERN TIER

### The Young CPA Committee Presents "Quit Prospecting and Get Referred"

**When:** Sept. 24, 12–2 p.m.

**Where:** Binghamton Club, 83 Front Street, Binghamton

**Contact:** Emily Gardner at egardner@peworchikcpa.com

### Southern Tier Annual Tax Conference

**When:** Oct. 23, 8:30 a.m.–5 p.m. (8 a.m. check-in)

**Where:** Holiday Inn Arena, 8 Hawley Street, Binghamton

**Cost:** \$175 members; \$250 nonmembers

**CPE:** 8 (taxation)

**Course Code:** 28606561

## STATEN ISLAND

### Income Taxation of Trusts and Estates

**When:** Oct. 8, 6:30–8:30 p.m.

**Where:** Bocelli Restaurant, 1250 Hylan Blvd.

**Cost:** TBD

**CPE:** 2 (taxation)

**Course Code:** 29076501

**Contact:** Rosemarie Giovinazzo-Barnickel at rgbcpa@nysscpa.org

### Staten Island Chapter World of Accounting

*(High School Outreach program)*

**When:** Oct. 17

**Where:** College of Staten Island, 2800 Victory Blvd.

**Contact:** Cynthia Scarinci at cscar907@gmail.com

## SUFFOLK

### Protecting Wealth/ Preparing For the Future

**When:** Sept. 17, 8–9:45 a.m.

**Where:** Empire National Bank, Islandia

**Cost:** Free

**CPE:** 2 (taxation)

**Course Code:** 29086505

**Contact:** Janet Verneville at jverneville@empirenb.com

### Suffolk Chapter Annual Young Professionals

#### Golf Classic

**When:** Sept 23, 7:30 a.m. (breakfast);

8:30 a.m. (shotgun start)

**Where:** Hamlet Willow Creek Golf & Country Club, Mt. Sinai

**Cost:** \$250 golf (see flyer for sponsorship info)

**Contact:** John Manley at jmanley@avz.com

### Fall Joint Nassau/Suffolk Banker/ CPA Networking Event

*(Sponsored by the Cooperation with Bankers Committees of the Nassau and Suffolk Chapters)*

**When:** Oct. 2, 6–9 p.m.

**Where:** Main Event, 1815 Broad Hollow Road, Farmingdale

**Cost:** \$60 per person; \$70 at door

**Contact:** Danielle Napolitano at DNapolitano@bethpagefcu.com or Irene Howell at ihowell@avz.com

## SYRACUSE

### Student Awards Night

**When:** Sept. 29

**Where:** Genesee Grande Hotel

**Contact:** Mark Ciaralli at mciaralli@gsacpas.com

## UTICA

### NYS Wage Deduction Rules

**When:** Sept. 9, 8:30–10:30 a.m.

**Where:** Radisson Hotel, Utica

**Cost:** \$30 members; \$40 nonmembers

**CPE:** 2 (specialized knowledge and applications)

**Course Code:** 29096501

**Contact:** Chris Lambe at clambe@darangelo.cny.com

### Graceful Exit: Business Succession,

#### Seminar 2

**When:** Sept. 16, 8:30–10:30 a.m.

**Where:** Radisson Hotel, Utica

**Cost:** \$30 members; \$40 nonmembers

**CPE:** 2 (advisory services)

**Course Code:** 29102502

**Contact:** Brian Reese at brian@fdwcpa.net

## WESTCHESTER

### Computing in the Cloud

**When:** Sept. 17, 7:45–9 a.m.

**Where:** Skadden Arps Slate Meagher & Flom LLP, White Plains

**Cost:** Free

**CPE:** 1 (advisory services)

**Course Code:** 29112501

**Contact:** Michael Herz at michaelbherz@gmail.com

# Chapter CPA Ethics Update and Town Hall Meetings

A hallmark of the public accounting profession is its commitment to professional ethics and the public interest. During the Society's town hall meetings, which will be held across New York state in each of the NYSSCPA's 15 regional chapters, attendees will be able to meet a portion of their New York state ethics CPE requirement with the following ethics update. The course focuses on the AICPA's revised Code of Professional Conduct and includes a discussion of proposed changes to NYS Rule 29.10.

## Who Should Attend:

The course is primarily for all New York state licensed CPAs who need to learn the basics about the profession's ethics standards.

## Learning Objectives:

- Learn to navigate the AICPA's revised Code of Professional Conduct and recent updates
- Understand the new Conceptual Framework in the revised AICPA Code of Professional Conduct
- Understand New York State's proposed revisions to Rule 29.10

CHAPTER	DATE	COURSE CODE	LOCATION
Adirondack	Sept. 23	42122504	High Peaks Resort, Lake Placid
Buffalo	TBD	42012514	TBD
Manhattan/Bronx	Nov. 17	42152509	F&E Conference Center, 14 Wall St.
Mid Hudson	Sept. 22	42022503	Hilton Gardens Inn, Newburgh
Nassau	Jan. 2015	42032515	Chateau Briand
Northeast	TBD	42042508	Stonebridge Country Club, Smithtown
Queens/Brooklyn	Nov. 3	42162511	Long Island University, Brooklyn
Rochester	TBD	42052505	TBD
Rockland	Nov. 18	42172513	Casa Mia Manor House, Blauvelt
Southern Tier	Oct. 10	42062506	Endwell Greens Golf Club, Endwell
Staten Island	Nov. 5	42072510	Regina McGinn Education Center
Suffolk	Nov. 13	42082507	TBD
Westchester	Nov. 19	42112512	TBD



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<http://lnkd.in/dGrY8qW>



Join us on Facebook:

[facebook.com/NYSSCPA](http://facebook.com/NYSSCPA)



# Queens/Brooklyn promotes cross-professional networking

BY ROSSLYN KHUNOVICH  
*Queens/Brooklyn Chapter Treasurer*

**O**n June 11, the chapter held its annual Installation and Joint CPA/Attorney Networking Dinner in Bay Ridge, Brooklyn. The event was a success, with an excellent turnout consisting of CPAs, attorneys, financial

advisors and NYSSCPA student members looking to network. The dinner was in keeping with one of the chapter's primary missions this fiscal year: to hold several social events that will bring together professionals with diverse skills, while also recruiting new members.

Our next event is a networking cocktail party, sponsored by Cambridge Financial

Group, to be held at Jade Restaurant Eatery and Lounge in Forest Hills, Queens on Sept. 17. We encourage CPAs, estate attorneys and family practice and matrimonial attorneys to attend for a relaxing end-of-summer social that offers the opportunity to mix and mingle with other professionals. Please make sure to keep a lookout for the flier and NYSSCPA emails with further

information. Space is limited, so we encourage professionals who are interested to R.S.V.P. early.

As always, we are looking for companies and individuals to sponsor future events. Please contact me at the email address below if you are interested in being a sponsor.

*rosslyn@gmail.com*

# Mid Hudson inspires students from across the valley with COAP

BY DAVID PURCELL  
*Mid Hudson Chapter President*

**T**his past July, the Mid Hudson Chapter concluded its 10th annual Career Opportunities in the Accounting Profession (COAP) program. The Mid Hudson Chapter COAP Committee hosted a phenomenal class of 32 students, who hailed from nine different high schools more than 80 miles apart in the Hudson Valley. For four days, the students learned about the fraud and forensic, hospitality, not-for-profit and public accounting sectors, and even got a special visit from the Ulster County Comptroller. In addition to partic-

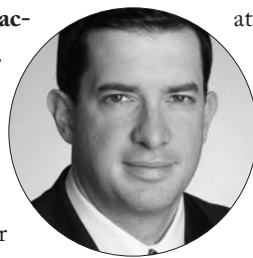
ipating in a variety of accounting field trips and hearing from a myriad of speakers, the students sharpened their skills with lessons on resume writing, public speaking, dining etiquette, preparing for job interviews, financial literacy, the college admissions process and applying for financial aid. The students also enjoyed a very competitive game of accounting Jeopardy. The week culminated in a wonderful graduation dinner with words of wisdom from our keynote speaker Kecia Palmer-Cousins, an entrepreneur and co-founder of baked goods manufacturer G&K Sweet Foods, LLC, where she serves as chief operating officer.

I would like to thank the dedicated and

hardworking committee that made the COAP program possible: **Sean Glander, Beth Vought, A. Rief Kanan, Tracy Badgley, Gayle L. Chaky, Stacey L. Bogdanski, and Tracey J. Niemotko.** Without your support and volunteer time, this very important event would not be possible.

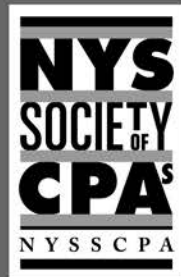
Finally, I'd like to inform our chapter members of some of the scheduled events we have planned so they can mark their calendars. Our Town Hall meeting and ethics event with the NYSSCPA will take place on Sept. 22, at the Hilton Garden in Newburgh,

starting at 12 p.m. Our A&A CPE seminar is scheduled for Oct. 23, at the Poughkeepsie Grand Hotel, with registration beginning at 8:30 a.m. The Bankers, Attorneys, and CPA networking event will take place on Oct. 29, at the Grandview in Poughkeepsie, at 5:30 p.m. (Stay tuned for an announcement about a very special guest and speaker.) And, finally, our Tax CPE seminar is scheduled for Nov. 14, at the Ramada Inn in Newburgh (registration time TBD).



**DAVID PURCELL**  
*Mid Hudson Chapter President*

*dpurcell@live.com*



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\* Underwritten by the United States Life Insurance Company in the City of New York



# Rockland scores with summer/fall seminar series

BY MICHAEL MILISITS  
Rockland Chapter President

The Rockland Chapter's summer/fall seminar series has opened to rave reviews. If you were able to attend the July and August seminars, thank you. If not, don't worry—we still have some great sessions coming up. In September, we'll have a seminar on the Foreign Account Tax Compliance Act, better known as FATCA. For those who have not considered their client's foreign tax exposure and potential liability for incorrectly reporting foreign accounts, this will be a great way to learn what to look for in a client's documentation, what to ask clients and how to prepare the correct tax forms.

In November, we'll have a Social Security planning seminar, which will be helpful for anyone who wants to know a little more about the complex Social Security system. The seminar was originally scheduled for October, but had to be rescheduled.

That same month, our annual Ethics and Town Hall meeting will take place. For those who have not attended this seminar in the past, it is a combination of an ethics update

and Town Hall meeting where you will get a refresher course on ethics and be able to meet some of the current NYSSCPA officers and staff. It is a great opportunity to get to know your Society representatives and learn how they are working on your behalf. Please consider attending this event—NYSSCPA officers and staff would love to hear what is important to chapter members and inform you of what they hope to accomplish going forward. They would appreciate any feedback you have, both positive and negative.

In December, we'll hold our all-day tax update. This year, we plan on offering multiple topics including federal, New York, New Jersey and Connecticut tax updates. This will be a great seminar for anyone who wants to be prepared for the upcoming tax season.

Anyone who is not currently getting our chapter newsletter should send their contact information to my attention at the email address below to make sure they get on the distribution list and never miss out on upcoming events. Remember to sign up early!

[mem@thehuntergroup.com](mailto:mem@thehuntergroup.com)



MICHAEL MILISITS  
Rockland Chapter President

# Back to school means back to work

BY WILLIAM ZEBORIS  
Westchester Chapter President

I hope everyone had an enjoyable summer and found some time to spend with friends and family.

Now that the start of the school year is here, those of us in Westchester know to expect a longer commute, as rush hour traffic returns to Westchester County, and for some of us, tax deadlines to meet. Unfortunately, we do not have the luxury of time to ease back into the flow of things. The Sept. 15 deadline for calendar year-end corporate tax returns looms and we can't complete our work, in many cases, until we get that last piece of information. With any luck, most of that information will be received well in advance of the due date.

It's also time for our chapter events to kick into high gear. Many of our signature events occur in the next four months, and the various committees behind them

will be busy attending to last-minute details. Below is a summary of upcoming events—be sure to check our chapter webpage ([www.nysscpa.org/westchester](http://www.nysscpa.org/westchester)) on a regular basis for the most up-to-date event information.

- Oct. 27 – Recruitment Night, Crowne Plaza, White Plains (an opportunity to meet with accounting students and recent graduates looking for an entry-level position in the field of accounting)
- Nov. 6 – Annual Networking Event, Willow Ridge Country Club, Harrison
- Nov. 10 – All Day Tax Conference, Citicorp Center, Armonk
- Nov. 19 – Ethics Presentation (TBD)

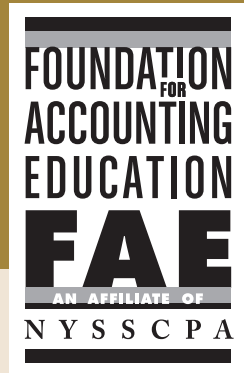
•Dec. 8 – All-Day Tax Conference, Citicorp Center, Armonk

Many of these events have historically sold out, so do not wait to register.



WILLIAM ZEBORIS  
Westchester Chapter President

[wzeboris@citrincooperman.com](mailto:wzeboris@citrincooperman.com)



## Fall/Winter 2014–2015

# Conferences

PLAN AHEAD. REGISTER TODAY.

Also Available via Live Webcast

### September

Technology Assurance /  
Cyber Security Conference  
September 18

Health Care Conference  
September 23

### October

Private Equity and Venture  
Capital Conference  
October 14

New York State Taxation  
Conference  
October 20

Construction Contractors  
Conference  
October 22

Anti-Money Laundering  
Conference  
October 23

Public Company  
Accounting and Auditing  
Conference  
(formerly SEC Conference)  
October 28

Business and Industry  
Conference  
October 30

### November

Private Company  
Accounting and Auditing  
Conference  
November 4

Alternative Investment  
Fund Conference  
(formerly Investment  
Companies Conference)  
November 5

Public Schools Conference  
November 12

Entertainment, Arts, and  
Sports Half-Day  
Conference  
November 19

Auditing Conference  
November 24

### December

Real Estate Conference  
December 4

Exempt Organizations  
Conference  
December 9

Trust and Estate Taxation  
Conference  
(formerly Estate and Trust  
Administration Conference)  
December 11

Partnership Taxation  
Conference  
December 17

### January

Taxation of Financial  
Instruments and  
Transactions Conference  
January 7

37th Annual Nonprofit  
Conference (Rochester)  
January 8

37th Annual Nonprofit  
Conference (NYC)  
January 15

Tri-State Taxation  
Conference  
January 21

C Corporations Taxation  
Conference  
January 28

International Taxation  
Conference  
January 29

### February

Fifth Annual Family Office  
Conference  
February 3

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# CPA ROUNDTABLE

## You've got their business cards, now what? How do you make the most of your networking contacts?

INTERVIEWS BY CHRIS GAETANO

SOMYA R. MUNJAL



**SOMYA R. MUNJAL** | Manhattan/Bronx Chapter

Networking is important—I don't think I would have gotten to where I am today without it—but follow-up is key. It's important to go that extra step and write an email after you've exchanged information, instead of just vanishing with a contact's business card. Be direct and say, 'Hey, it was great meeting you; want to get a cup of coffee?' and come up with a time and place to meet, so you don't go back and forth over details. If you're shy about approaching colleagues for job leads or advice about drumming up new business, ask them how you can help them, so that you're giving them something in return. That takes away the awkward feeling some people get when asking for help, and makes the conversation mutually beneficial. I've seen the good this can do. For example, someone I met at a young professionals event followed up with me and made sure that we met again. Now he's working for my company.

*somya@cpaforthepeople.com*

MICHAEL F. ROSENBLATT



**MICHAEL F. ROSENBLATT** | Manhattan/Bronx Chapter

Instead of taking a step back from selling themselves and engaging in a normal conversation with a professional contact, a lot of people go right in for the kill. They start the conversation with, 'I'm an accountant and I work in trusts and estates and could really use more work.' That tends to rub people the wrong way and hurts your ability to really benefit from your relationships. Get into a personal and friendly conversation and go for the soft sell. Another thing I find people often forget is that networking is a two-way street. People have told me, 'Michael, I hear you know everyone, so I think I could benefit from talking to you.' Does that get me excited? No. But, unfortunately, people don't realize that, when making a networking contact, you need to be on the lookout for how you can help that person even before they offer to help you. It's why I've stopped going to a lot of networking events.

Let's say I'm a senior partner of a public accounting firm, and I meet the CEO of a company. Instead of going into a whole pitch and saying, 'We do great work with your industry,' I would ask questions about the business and how it's doing. You might find that they're making money but have some cash flow issues. Then, rather than saying, 'I can be your auditor,' perhaps you could offer to introduce the CEO to a few potential financing partners.

The point is, it's a two-sided conversation. It's not just 'What's in it for me?' People who network in a one-sided way are generally unsuccessful, but the ones who give and take—the ones who follow up and think about how they can help others—will be the ones everyone thinks of when they have a new opportunity they want to share.

*Michael.Rosenblatt@questorg.com*

MATTIA WRIGHT



**MATTIA WRIGHT** | Syracuse Chapter

Contacts need to be maintained in order to be of any help to you. If you're at a networking event and see a colleague, it's important to stop by and catch up. Even if you won't be in the same location, it's worth it to send a quick email every so often, especially if there's been some good news about the person, like a promotion. You don't need to be a constant shadow, but, to put it bluntly, you need to remind people every so often that you exist. Your contacts should also be people who naturally come to mind when you think about certain professional matters—for example, if your family and friends have questions about an area you're not familiar with, like tax, you should be able to refer them to one of your contacts. This is helpful, as it uses your network to expand theirs, which they'll appreciate. At the same time, don't be shy about asking a contact for something—in the end, everyone is in the same boat. A lot of times it comes down to

people simply making the request and seeing whether a contact is responsive.

*mwright@fmfecpa.com*

DOUGLAS L. HOFFMAN



**DOUGLAS L. HOFFMAN** | Adirondack Chapter

Much of it is keeping the lines of communication open. When I get referrals from colleagues, I contact them and thank them for it. Not only is this good manners, but it lets them know that their efforts are working and that you did get a new client. It's also important to reciprocate and give referrals in the opposite direction when you can. Be sure to let your contacts know when you've done this, so they'll be prepared for the referral to contact them and close the loop. It also lets them know that you are, in fact, referring back to them. It can help, too, to keep things casual with your contacts and, in an informal way, let them know how your business is going and that you're always looking for new clients. You don't necessarily need to ask for references—just plant the seed.

*dlb@dragonbenware.com*

STEPHEN T. SURACE



**STEPHEN T. SURACE** | Utica Chapter

When you meet someone at an event, you need to nurture that contact if you want to get anything out of it. To do this, I'd say you have to find an opportunity in which you can assist them first. You might not be able to right away, but, at the very least, you can try to find something you have in common, or send them an email with an article that made you think of them. These actions all have the potential to help you develop relationships that can be mutually beneficial.

I look at it more like developing a long-term friendship. You want to keep in touch—not just when you need something, but to say hello and catch up. You can't just look at your relationship with a contact and think, 'How will I make money off this person?' If you do, you'll find that it will be much more difficult to leverage your networking contacts into something beneficial.

*ssurace@aidrc.com*



# FAE LISTINGS

## AICPA Pricing Schedule

For AICPA-developed courses, the following pricing schedule applies.

If you are:	8-hour course	16-hour course
A member of both AICPA and NYSSCPA:	\$269	\$439
Only a member of the NYSSCPA:	\$299	\$499
Only a member of the AICPA:	\$394	\$564
A member of neither AICPA nor NYSSCPA:	\$424	\$624

For 4-hour courses, see course description for price information. For details, refer to the registration information on [www.nysscpa.org](http://www.nysscpa.org).

The FAE delivers the following professional education programs for CPAs and other financial professionals in all areas of business, including all public accounting practice areas, and those working in government, industry and academia, to help satisfy their New York state calendar-year continuing professional education requirements. To search within New York City, refer to Manhattan/Bronx. To search within Albany, refer to Northeast. For the most up-to-date events information, visit [www.nysscpa.org](http://www.nysscpa.org) or call 800-537-3635. SIGN UP TODAY!

FOR OCTOBER 6, 2014, THROUGH OCTOBER 30, 2014

## BUFFALO ACCOUNTING

**10/06**  
**FAE's Accounting Update**  
 This course delivers information about current and emerging accounting guidance and recent developments. Participants will receive an overview of new and proposed relevant accounting guidance, along with practical application through a variety of discussions and questions.  
 AC/8 21111581  
 Buffalo/Niagara Marriott  
 Foundation for Accounting Education  
**\$299\424**

**10/30**  
**Government and Nonprofit Annual Update**  
 Participants will learn to apply recent requirements of GASB and FASB directed toward governments and not-for-profits. The program will also help participants identify recent activities of the AICPA.  
 AC/4, AU/4 22163581  
 Buffalo/Niagara Marriott  
 AICPA  
**\$299\424\269\394**

**AUDITING**  
**10/07**  
**FAE's Auditing Update 2014**  
 In a changing global economy, this course helps in staying ahead of emerging and current auditing guidance. Participants will receive overviews of new auditing guidance, along with practical application of it through a variety of discussions and questions.  
 AU/4 21112581  
 Buffalo/Niagara Marriott  
 Foundation for Accounting Education  
**\$149\209**

**10/07**  
**FAE's Compilation and Review Update 2014**  
 Participants will hear discussions and receive tools designed to help them better perform compilation and review engagements. Recently issued Statements on Standards for Accounting and Review Services (SSARS) and the challenges arising from these engagements will be addressed through a variety of discussions and questions.  
 AU/4 21113581  
 Buffalo/Niagara Marriott  
 Foundation for Accounting Education  
**\$149\209**

**10/08**  
**FAE's Financial Statement Disclosures for Small to Medium-Sized Businesses**  
 This course will familiarize you with the most frequently encountered measurement and disclosure issues associated with preparing financial statements for nonpublic small to medium-sized businesses, including the discussion of and solution to problems that may arise.  
 AU/8 21123581  
 Buffalo/Niagara Marriott  
 Foundation for Accounting Education  
**\$299\424**

**10/30**  
**Government and Nonprofit Annual Update**  
 See course listing under Accounting.

**ETHICS**  
**10/27**  
**FAE's Ethics Update 2014 for Industry**  
 This session will teach you how to navigate the revised AICPA Code of Professional Conduct, as well as the 6 principles underlying it, and will explain the new Conceptual Framework. It will help attendees to differentiate between the New York State rules and the rules of the Code of Professional Conduct, as well as demonstrate how the profession's rules of conduct are enforced by various bodies.  
 E/4 21277584  
 Buffalo/Niagara Marriott  
 Foundation for Accounting Education  
**\$149\209**

**10/27**  
**FAE's Ethics Update 2014 for Public Practice**  
 This session will teach participants how to navigate the revised AICPA Code of Professional Conduct, as well as the 6 principles underlying it, and will explain the new Conceptual Framework. It will help attendees to differentiate between the New York State rules and the rules of the Code of Professional Conduct, as well as demonstrate how the profession's rules of conduct are enforced by various bodies. In addition, it will describe those auditor independence standards that apply to attest work performed for public companies, governmental, and federally funded entities, benefit plans, and private companies.  
 E/4 21277581  
 Buffalo/Niagara Marriott  
 Foundation for Accounting Education  
**\$149\209**

## SPECIALIZED KNOWLEDGE AND APPLICATIONS

**10/30**  
**Business & Industry Conference**  
 SK/6, T/2 28501503  
 Ramada Hotel & Conference Center  
 Foundation for Accounting Education  
**\$50**

**TAXATION**  
**10/20**  
**Health Care Reform Act: Critical Tax and Insurance Ramifications**  
 This course will explore the tax ramifications associated with implementation of the Act. Participants will identify new penalties that apply to individuals and businesses to help them better assist clients under this new Act.  
 T/4 32401581  
 Buffalo/Niagara Marriott  
 AICPA  
**\$149\209**

According to New York State Regulations, courses may only be categorized as the following fields of study for CPE accreditation:

Accounting	AC
Advisory Services	AD
Auditing	AU
Ethics	E
Specialized Knowledge	SK
Taxation	T

Courses that have a concentration in more than one field of study are labeled with the quantity of credits that apply to each category.

**10/20**  
**Social Security and Medicare: Advanced Analysis of the Tactics, Taxes, and the Truth**  
 This course brings the technicalities of Social Security and Medicare into practicality so participants can learn how to advise their clients from the tax and the benefit side.  
 T/4 32499581  
 Buffalo/Niagara Marriott  
 AICPA  
**\$149\209**

**10/30**  
**Business & Industry Conference**  
 See course listing under Specialized Knowledge and Applications.

## MANHATTAN/BRONX ACCOUNTING

**10/14**  
**Private Equity and Venture Capital Conference**  
 AC/1.5, AU/1, SK/5, T/1.5 25713511  
 The New York City Bar Association  
 Foundation for Accounting Education  
**\$385\510**

**10/22**  
**Construction Contractors Conference**  
 AC/1.5, SK/3.5, T/3.5 25537511  
 FAE Learning Center  
 Foundation for Accounting Education  
**\$335\460**

**10/28**  
**Public Company Accounting and Auditing Conference**  
 AC/3, AU/5 25157511  
 FAE Learning Center  
 Foundation for Accounting Education  
**\$335\460**

**ADVISORY SERVICES**  
**10/23**  
**Anti-Money Laundering Conference**  
 AD/8 25130511  
 FAE Learning Center  
 Foundation for Accounting Education  
**\$335\460**

**AUDITING**  
**10/14**  
**Private Equity and Venture Capital Conference**  
 See course listing under Accounting.

**10/16**  
**Attributes of an Effective Anti-Fraud Program**  
 This program will enhance your awareness of successful practices for fraud investigations. It will outline the attributes of a successful fraud investigation, provide insight into the psychology and mindset of white-

## KEY

# GEOGRAPHIC AREA

## LOCATION

### FIELD OF STUDY

Date  
 Course Title  
 Course Description  
 Field of Study Course Code  
 Site  
 Developer  
 Member Fee/Nonmember Fee

collar criminals, and will present case studies, along with the elements of successful report writing.  
 AU/2 27103501  
 FAE Learning Center  
 Foundation for Accounting Education  
**\$45\70**

**10/28**  
**Public Company Accounting and Auditing Conference**  
 See course listing under Accounting.

## SPECIALIZED KNOWLEDGE AND APPLICATIONS

**10/14**  
**Private Equity and Venture Capital Conference**  
 See course listing under Accounting.

**10/16**  
**Advanced Excel**  
 This session will outline best practices for collaborating with Excel, including encryption, sharing, and merging workbooks. In addition, it will cover tables, filters and sorting, importing data, advanced functions (such as LOOKUP, MATCH, and RAND), and formula creation. Also included in the session are various advanced data analysis techniques for creating and customizing charts.  
 SK/8 34496511  
 FAE Learning Center  
 K2 Enterprises Inc.  
**\$299\424**

**10/17**  
**Excel PivotTables for Accountants**  
 This session will begin with basic PivotTables and progress to advanced PivotTable topics. Areas covered in this session will include drag-and-drop pivoting, grouping and ungrouping, creating calculated item and fields, and drilling down to underlying details. PivotTables consolidated from multiple ranges and PivotTables dynamically linked to external databases and financial accounting systems will be discussed.  
 SK/8 34415511  
 FAE Learning Center  
 K2 Enterprises Inc.  
**\$299\424**

**10/22**  
**Construction Contractors Conference**  
 See course listing under Accounting.

**10/24**  
**AICPA's Annual Update for Controllers**  
 This program addresses major trends in accounting, corporate finance, treasury management, and business systems. Participants will utilize new tools for business planning, forecasting, budgeting, and reporting to identify current issues that impact the financial stability of their organizations.  
 SK/8 32503511  
 FAE Learning Center  
 AICPA  
**\$299\424\269\394**

10/30  
**Business & Industry Conference**  
 SK/6, T/2 25100511  
 FAE Learning Center  
 Foundation for Accounting Education  
**\$50**

## TAXATION

10/14  
**Private Equity and Venture Capital Conference**  
 See course listing under Accounting.

10/20  
**New York State Taxation Conference**  
 T/8 25612511  
 The New York City Bar Association  
 Foundation for Accounting Education  
**\$385\510**

10/21  
**How to Handle a New York State Tax Audit: Soup to Nuts!**  
 T/2 27500501  
 FAE Learning Center  
 Foundation for Accounting Education  
**\$65\90**

10/22  
**Construction Contractors Conference**  
 See course listing under Accounting.

10/24  
**Tax Planning Strategies for Small Businesses: Corporations, Partnerships, and LLCs**  
 This program will help you determine and solve tax problems that affect small businesses, identify savings opportunities and pinpoint tax traps; and show you how to lower your small business clients' tax bills.  
 T/8 32682511  
 FAE Learning Center  
 AICPA  
**\$149\209**

10/30  
**Business & Industry Conference**  
 See course listing under Specialized Knowledge and Applications.

## MID-HUDSON ACCOUNTING

10/23  
**Accounting and Auditing Update**  
 AC/4, AU/4 28102532  
 Poughkeepsie Grand Hotel  
 Foundation for Accounting Education  
**\$160\210**

## AUDITING

10/23  
**Accounting and Auditing Update**  
 See course listing under Accounting.

## NASSAU SPECIALIZED KNOWLEDGE AND APPLICATIONS

10/30  
**Business & Industry Conference**  
 SK/6, T/2 28503527  
 CohnReznick LLP  
 Foundation for Accounting Education  
**\$50**

## TAXATION

10/30  
**Business & Industry Conference**  
 See course listing under Specialized Knowledge and Applications.

## NORTHEAST ACCOUNTING

10/27  
**FAE's Compilation and Review Through Case Studies**  
 Through the use of case studies, this course will teach you how to apply the requirements of SSARS and will discuss the different levels of assurance provided by compilation and review services, including the minimum documentation requirements of each.  
 AC/8 21137541

Albany Marriott  
 Foundation for Accounting Education  
**\$299\424**

10/28  
**Government and Nonprofit Annual Update**  
 Participants will learn to apply recent requirements of GASB and FASB directed toward governments and not-for-profits. The program will also help participants identify recent activities of the AICPA.  
 AC/4, AU/4 22163541  
 Albany Marriott  
 AICPA  
**\$299\424\269\394**

## AUDITING

10/28  
**Government and Nonprofit Annual Update**  
 See course listing under Accounting.

## SPECIALIZED KNOWLEDGE AND APPLICATIONS

10/30  
**Business & Industry Conference**  
 SK/6, T/2 28504542  
 The Business Council of New York State, Inc.  
 Foundation for Accounting Education  
**\$50**

## TAXATION

10/29  
**Health Care Reform Act: Critical Tax and Insurance Ramifications**  
 This course will explore the tax ramifications associated with implementation of the Act. Participants will identify new penalties that apply to individuals and businesses to help them better assist clients under the new Act.  
 T/4 32401541  
 Albany Marriott  
 AICPA  
**\$149\209**

10/29  
**Social Security and Medicare: Advanced Analysis of the Tactics, Taxes, and the Truth**  
 This course brings the technicalities of Social Security and Medicare into practicality so participants can learn how to advise their clients from the tax and benefit side.  
 T/4 32499541  
 Albany Marriott  
 AICPA  
**\$149\209**

10/30  
**FAE's New York State Taxation Workshop and Update 2014**  
 This workshop reviews the latest developments, rulings, cases, and regulations in New York. It addresses personal income, corporate, and sales taxation in order to better plan for a client at the state level.  
 T/8 21602541  
 Albany Marriott  
 Foundation for Accounting Education  
**\$299\424**

10/30  
**Business & Industry Conference**  
 See course listing under Specialized Knowledge and Applications

## QUEENS/BROOKLYN TAXATION

10/29  
**Queens/Brooklyn Annual Tax Conference**  
 T/8 28616512  
 NYS Department of Taxation and Finance  
 (15 MetroTech Center, Brooklyn)  
 Foundation for Accounting Education  
**\$100\125**

## ROCHESTER ACCOUNTING

10/20  
**FAE's Accounting Update 2014**  
 This course delivers information about current and emerging accounting guidance and recent developments. Participants will receive an overview of new and proposed relevant accounting guidance, along with practical application through a variety of discussions and questions.  
 AC/8 21111571  
 Holiday Inn Rochester Airport  
 Foundation for Accounting Education  
**\$299\424**

## AUDITING

10/21  
**FAE's Auditing Update 2014**  
 In a changing global economy, this course helps in staying ahead of emerging and current auditing guidance. Participants will receive overviews of new auditing guidance, along with practical application of it through a variety of discussions and questions.  
 AU/4 21112571  
 Holiday Inn Rochester Airport  
 Foundation for Accounting Education  
**\$149\209**

10/21  
**FAE's Compilation and Review Update 2014**  
 Participants will hear discussions and receive tools designed to help them better perform compilation and review engagements. Recently issued Statements on Standards for Accounting and Review Services (SSARS) and the challenges arising from these engagements will be addressed through a variety of discussions and questions.  
 AU/4 21113571  
 Holiday Inn Rochester Airport  
 Foundation for Accounting Education  
**\$149\209**

## ETHICS

10/28  
**FAE's Ethics Update 2014 for Industry**  
 This session will teach you how to navigate the revised AICPA Code of Professional Conduct, as well as the 6 principles underlying it, and will explain the new Conceptual Framework. It will help attendees to differentiate between the New York State rules and the rules of the Code of Professional Conduct, as well as demonstrate how the profession's rules of conduct are enforced by various bodies.  
 E/4 21277572  
 Holiday Inn Rochester Airport  
 Foundation for Accounting Education  
**\$149\209**

10/28  
**FAE's Ethics Update 2014 for Public Practice**  
 This session will teach participants how to navigate the revised AICPA Code of Professional Conduct, as well as the 6 principles underlying it, and will explain the new Conceptual Framework. It will help attendees to differentiate between the New York State rules and the rules of the Code of Professional Conduct, as well as demonstrate how the profession's rules of conduct are enforced by various bodies. In addition, it will describe those auditor independence standards that apply to attest work performed for public companies, governmental and federally funded entities, benefit plans, and private companies.  
 E/4 21277571  
 Holiday Inn Rochester Airport  
 Foundation for Accounting Education  
**\$149\209**

## TAXATION

10/21  
**Health Care Reform Act: Critical Tax and Insurance Ramifications**  
 This course will explore the tax ramifications associated with implementation of the Act. Participants will identify new penalties that apply to individuals and businesses to help them better assist clients under the new Act.  
 T/4 32401571  
 Holiday Inn Rochester Airport  
 AICPA  
**\$149\209**

10/21  
**Social Security and Medicare: Advanced Analysis of the Tactics, Taxes, and the Truth**  
 This course brings the technicalities of Social Security and Medicare into practicality so participants can learn how to advise their clients from the tax and benefit side.  
 T/4 32499571  
 Holiday Inn Rochester Airport  
 AICPA  
**\$149\209**

10/22  
**FAE's New York State Taxation Workshop and Update 2014**  
 This workshop reviews the latest developments, rulings, cases, and regulations in New York. It addresses personal income, corporate, and sales taxation in order to better plan for a client at the state level.  
 T/8 21602571  
 Holiday Inn Rochester Airport  
 Foundation for Accounting Education  
**\$299\424**

## SUFFOLK SPECIALIZED KNOWLEDGE AND APPLICATIONS

10/30  
**Business & Industry Conference**  
 SK/6, T/2 28503527  
 CohnReznick LLP  
 Foundation for Accounting Education  
**\$50**

## TAXATION

10/27  
**Health Care Reform Act: Critical Tax and Insurance Ramifications**  
 This course will explore the tax ramifications associated with implementation of the Act. Participants will identify new penalties that apply to individuals and businesses to help them better assist clients under the new Act.  
 T/4 32401551  
 Melville Marriott Long Island  
 AICPA  
**\$149\209**

10/27  
**Social Security and Medicare: Advanced Analysis of the Tactics, Taxes, and the Truth**  
 This course brings the technicalities of Social Security and Medicare into practicality so participants can learn how to advise their clients from the tax and benefit side.  
 T/4 32499521  
 Melville Marriott Long Island  
 AICPA  
**\$149\209**

10/30  
**Business & Industry Conference**  
 See course listing under Specialized Knowledge and Applications.

## SYRACUSE ACCOUNTING

10/27  
**FAE's Accounting Update 2014**  
 This course delivers information about current and emerging accounting guidance and recent developments. Participants will receive an overview of new and proposed relevant accounting guidance, along with practical application through a variety of discussions and questions.  
 AC/8 21111551  
 Doubletree Hotel (formerly the Wyndham)  
 Foundation for Accounting Education  
**\$299\424**

## AUDITING

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**FAE's Auditing Update 2014**  
 In a changing global economy, this course helps in staying ahead of emerging and current auditing guidance. Participants will receive overviews of new auditing guidance, along with practical application of it through a variety of discussions and questions.  
 AU/4 21112551  
 Doubletree Hotel (formerly the Wyndham)  
 Foundation for Accounting Education  
**\$149\209**

10/28  
**FAE's Compilation and Review Update 2014**  
 Participants will hear discussions and receive tools designed to help them better perform compilation and review engagements. Recently issued Statements on Standards for Accounting and Review Services (SSARS) and the challenges arising from these engagements will be addressed through a variety of discussions and questions.  
 AU/4 21113551  
 Doubletree Hotel (formerly the Wyndham)  
 Foundation for Accounting Education  
**\$149\209**

10/30  
**FAE's Financial Statement Disclosures for Small to Medium-Sized Businesses**  
 This course will familiarize you with the most frequently encountered measurements and disclosure issues associated with preparing financial statements for nonpublic small- to medium-sized business, including the discussion of and solution to problems that may arise.  
 AU/8 21123551  
 Doubletree Hotel (formerly the Wyndham)  
 Foundation for Accounting Education  
**\$299\424**



## ETHICS

10/29

**FAE's Ethics Update 2014 for Industry**

This session will teach you how to navigate the revised AICPA Code of Professional Conduct, as well as the 6 principles underlying it, and will explain the new Conceptual Framework. It will help attendees to differentiate between the New York State rules and the rules of the Code of Professional Conduct, as well as demonstrate how the profession's rules of conduct are enforced by various bodies.

E/4 21277552

Doubletree Hotel (formerly the Wyndham)

Foundation for Accounting Education

**\$149\ \$209**

10/29

**FAE's Ethics Update 2014 for Public Practice**

This session will teach participants how to navigate the revised AICPA Code of Professional Conduct, as well as the 6 principles underlying it, and will explain the new Conceptual Framework. It will help attendees to differentiate between the New York State rules and the rules of the Code of Professional Conduct, as well as demonstrate how the profession's rules of conduct are enforced by various bodies. In addition, it will describe those auditor independence standards that apply to attest work performed for public companies, governmental and federally funded entities, benefit plans, and private companies.

E/4 21277551

Doubletree Hotel (formerly the Wyndham)

Foundation for Accounting Education

**\$149\ \$209**SPECIALIZED KNOWLEDGE  
AND APPLICATIONS

10/30

**Business & Industry Conference**

SK/6, T/2 28509553

Paychex

Foundation for Accounting Education

**\$50**

## TAXATION

10/23

**FAE's New York State Taxation Workshop and Update 2014**

This workshop reviews the latest developments, rulings, cases, and regulations in New York. It addresses personal income, corporate, and sales taxation in order to better plan for a client at the state level.

T/8 21602551

Doubletree Hotel (formerly the Wyndham)

Foundation for Accounting Education

**\$299\ \$424**

10/30

**Business & Industry Conference**

See course listing under Specialized Knowledge and Applications.

## UTICA

SPECIALIZED KNOWLEDGE  
AND APPLICATIONS

10/30

**Business & Industry Conference**

See course listing under Specialized Knowledge and Applications.

## TAXATION

10/30

**Business & Industry Conference**

See course listing under Specialized Knowledge and Applications.

## WESTCHESTER

SPECIALIZED KNOWLEDGE  
AND APPLICATIONS

10/30

**Business & Industry Conference**

SK/6, T/2 28511536

March of Dimes

Foundation for Accounting Education

**\$50**

## TAXATION

10/30

**Business & Industry Conference**

See course listing under Specialized Knowledge and Applications.

## WEB EVENTS

## ACCOUNTING

10/14

**Private Equity and Venture Capital Conference (WEBCAST)**

AC/.5, AU/1, SK/5, T/1.5 35713511

Foundation for Accounting Education

**\$285\ \$410**

10/17

**Excel PivotTables for Accountants (WEBCAST)**

This session will begin with basic PivotTables and progress to advanced PivotTable topics. Topics covered in this session will include drag-and-drop pivoting, grouping and ungrouping, creating calculated item and fields, and drilling down to underlying details. PivotTables consolidated from multiple ranges and PivotTables dynamically linked to external databases and financial accounting systems will be covered.

AC/4, AU/4 35415511

K2 Enterprises Inc.

**\$249\ \$374**

10/22

**Construction Contractors Conference (WEBCAST)**

AC/1.5, SK/3.5, T/3.5 35537511

Foundation for Accounting Education

**\$235\ \$360**

10/28

**Public Company Accounting and Auditing Conference (WEBCAST)**

AC/3, AU/5 35157511

Foundation for Accounting Education

**\$235\ \$360**

## ADVISORY SERVICES

10/23

**Anti-Money Laundering Conference (WEBCAST)**

AD/8 35130511

Foundation for Accounting Education

**\$235\ \$360**

## AUDITING

10/14

**Private Equity and Venture Capital Conference (WEBCAST)**

See course listing under Accounting.

10/16

**Attributes of an Effective Anti-Fraud Program (WEBCAST)**

This program will enhance your awareness of successful practices for fraud investigations. It will outline the attributes of a successful fraud investigation, provide insight into the psychology and mindset of white-collar criminals, and will present case studies, along with the elements of successful report writing.

AU/2 35103501

Foundation for Accounting Education

**\$45\ \$70**

10/17

**Excel PivotTables for Accountants (WEBCAST)**

See course listing under Accounting.

10/28

**Public Company Accounting and Auditing Conference (WEBCAST)**

See course listing under Accounting.

SPECIALIZED KNOWLEDGE  
AND APPLICATIONS

10/14

**Private Equity & Venture Capital Conference (WEBCAST)**

See course listing under Accounting.

10/16

**Advanced Excel (WEBCAST)**

This session will outline best practices for collaborating with Excel, including encryption, sharing, and merging workbooks. In addition, it will cover tables, filters and sorting, importing data, advanced functions (such as LOOKUP, MATCH, and RAND), and formula creation. Also included in the session are various advanced data analysis techniques for creating and customizing charts.

SK/8 35496511

K2 Enterprises Inc.

**\$249\ \$374**

10/22

**Construction Contractors Conference (WEBCAST)**

See course listing under Accounting.

10/24

**AICPA's Annual Update for Controllers (WEBCAST)**

This program addresses major trends in accounting, corporate finance, treasury management, and business systems. Participants will utilize new tools for business planning, forecasting, budgeting, and reporting to identify current issues that impact the financial stability of their organization.

SK/8 35503511

AICPA

**\$249\ \$374\ \$219\ \$344**

10/30

**Business & Industry Conference (WEBCAST)**

SK/6, T/2 35100511

Foundation for Accounting Education

**\$50\ \$235\ \$360**

## TAXATION

10/14

**Private Equity and Venture Capital Conference (WEBCAST)**

See course listing under Accounting.

10/20

**New York State Taxation Conference (WEBCAST)**

T/8 35612511

Foundation for Accounting Education

**\$285\ \$410**

10/21

**How to Handle a New York State Tax Audit: Soup to Nuts! (WEBCAST)**

T/2 35500501

Foundation for Accounting Education

**\$65\ \$90**

10/22

**Construction Contractors Conference (WEBCAST)**

See course listing under Accounting.

10/24

**Tax Planning Strategies for Small Businesses: Corporations, Partnerships, and LLCs (WEBCAST)**

This program will help you determine and solve tax problems that affect small businesses, identify savings opportunities and pinpoint tax traps, and show you how to lower your small business clients' tax bills.

T/4 35682511

AICPA

**\$124\ \$184**

10/30

**Business & Industry Conference (WEBCAST)**

See course listing under Specialized Knowledge and Applications.



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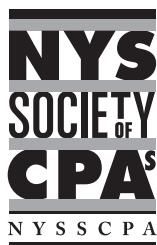
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212-661-1090, ext. 14



# Fall/Winter 2014-2015

# Conferences

PLAN AHEAD. REGISTER TODAY.

Also Available via Live Webcast

### September

Technology Assurance /  
Cyber Security Conference  
September 18

Health Care Conference  
September 23

### October

Private Equity and Venture  
Capital Conference  
October 14

New York State Taxation  
Conference  
October 20

Construction Contractors  
Conference  
October 22

Anti-Money Laundering  
Conference  
October 23

Public Company  
Accounting and Auditing  
Conference  
(formerly SEC Conference)  
October 28

Business and Industry  
Conference  
October 30

### November

Private Company  
Accounting and Auditing  
Conference  
November 4

Alternative Investment  
Fund Conference  
(formerly Investment  
Companies Conference)  
November 5

Public Schools Conference  
November 12

Entertainment, Arts, and  
Sports Half-Day  
Conference  
November 19

Auditing Conference  
November 24

### December

Real Estate Conference  
December 4

Exempt Organizations  
Conference  
December 9

Trust and Estate Taxation  
Conference  
(formerly Estate and Trust  
Administration Conference)  
December 11

Partnership Taxation  
Conference  
December 17

### January

Taxation of Financial  
Instruments and  
Transactions Conference  
January 7

37th Annual Nonprofit  
Conference (Rochester)  
January 8

37th Annual Nonprofit  
Conference (NYC)  
January 15

Tri-State Taxation  
Conference  
January 21

C Corporations Taxation  
Conference  
January 28

International Taxation  
Conference  
January 29

### February

Fifth Annual Family Office  
Conference  
February 3

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Rotenberg Meril, Bergen County's largest independent accounting firm, wants to expand its New York City practice and is seeking merger/acquisition opportunities in Manhattan. Ideally, we would be interested in a high quality audit and tax practice, including clients in the financial services sector, such as broker dealers, private equity and hedge funds. An SEC audit practice would be a plus. Contact Larry Meril at [lmeril@rmsbg.com](mailto:lmeril@rmsbg.com), 201-487-8383, to further discuss the possibilities.

**Mid Long Island practitioner** (revenues 450k) seeking junior partner for practice buy in/buy out. Flexible terms. Strong tax background is best plus financial statements. Stable and diverse practice. Reply to: [nycpa04@gmail.com](mailto:nycpa04@gmail.com)

2 partner NYC CPA Firm, \$900,000 gross, seeks association leading to transfer of practice. Peer reviewed. NY/NJ clients. Reply to [acctsell7@gmail.com](mailto:acctsell7@gmail.com).

Seeking self-motivated sole practitioner looking to grow CPA Practice Opportunity for partnership & long term success in an established firm Offices in NYC & LI, International Resources & Capabilities Contact: [nycpafirm1@gmail.com](mailto:nycpafirm1@gmail.com)

Eastern Long Island CPA firm seeks partner to take over & manage existing practice with staff & location. Near term buyout. Collections of 500K. Please respond in complete confidence to [cpa2015cpa@gmail.com](mailto:cpa2015cpa@gmail.com).

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**Joel Sinkin**  
[jsinkin@transitionadvisors.com](mailto:jsinkin@transitionadvisors.com)

**Bill Carlino**  
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