Technology creates promise, but can firms keep up?

By CHRIS GAETANO
Trusted Professional Staff

Editor’s note: This is the third and final installment of a three-part series on how technology is affecting the accounting profession.

The accounting profession is undergoing a period of major change, with technology serving as one of the main drivers, both in terms of what clients demand and what CPA firms can deliver. But while innovations like cognitive computing and blockchain technology promise a world of new opportunities, they also raise questions about how firms will adapt to a landscape where common business practices are becoming obsolete.

For example, billable hours—a staple of accounting firms everywhere—may not make as much sense in a world where the routine tasks that used to take up the bulk of an engagement are largely automated. In this world, practitioners will spend less time collecting data and more time analyzing what it means so that they can develop better insights, as opposed to the amount of time spent developing them. While this is hard—Weinstein said people have been talking about the end of billable hours for years—he believes technological change will soon force the issue, creating a rapid landscape where common business practices are becoming obsolete.

In an NYSSCPA state of mind at the Moynihan Fund Gala

By RUTH SINGLETON
Trusted Professional Staff

Some of the biggest names in the accounting world came out for the second annual Moynihan Fund Gala on May 17 at The Lighthouse at Chelsea Piers, to support scholarship, diversity and recruitment programs throughout New York state.

The event raised nearly $150,000 in sponsorships and individual donations for the Moynihan Scholarship Fund. Members of Billy Joel's own band, performing as Mike DelGuidice & Big Shot, played the music legend's greatest hits.

At the gala, the NYSSCPA honored Bert N. Mitchell with the NYSSCPA Lifetime Achievement Award and David A. Lifson with the David J. Moynihan Award.

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At the gala, the NYSSCPA honored Bert N. Mitchell with the NYSSCPA Lifetime Achievement Award and David A. Lifson with the David J. Moynihan Award. Mitchell, a past president of the NYSSCPA, was a founding partner of Mitchell Titus, the largest minority-owned CPA firm in the country. Mitchell spoke about becoming the first African-American to head a state society of CPAs: “This was a significant development that’s why we’re here tonight.”

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A focus on advocacy, NextGen for 2017–2018

On May 17, 2017, I had the distinction of being inaugurated as the 98th president of the New York State Society of CPAs. As I start my presidency, I think back to what brought me to this moment. The journey has been amazing and, frankly, unexpected. Nineteen years ago, I was six years out of college, moving from private industry to public accounting at Holtz Rubenstein and Company. Holtz was a midsize Long Island firm that was willing to take a chance on me. When I started there, I did not plan on being there for 19 years; I was thinking about the two years of experience I needed for my CPA license. But what happened was a love affair with a firm and a profession that would forever change my life.

Shortly after I joined Holtz (now Baker Tilly), a partner encouraged me to join the NYSSCPA and the AICPA. Then a colleague, Paul E. Becht, invited me to attend a Young CPA networking event. Paul has been a supportive friend and colleague for so many years; it is amazing to think that he and I started out together as Young CPAs, and now I am president and he is a vice president this year. I am also indebted to George T. Foundatos, the only other NYSSCPA president to come from the Suffolk Chapter. George is an amazing person who still attends Chapter meetings and has mentored many people in his career. I thank him for his guidance and support for so many years.

Considering the support from my firm and the Suffolk Chapter, maybe it is no surprise why I feel so passionately about looking at ways we can attract and keep young professionals in the CPA profession and the important role the Society plays as an advocate for our members and the profession here in New York. During my term as president, I’ll be attending NextGen programs and events, statewide and locally; both to attract more high school and college students into the profession and to support them during the early stages of their career. I am delighted that the Moynihan Fund Gala was such a success at raising funds to support our Career Opportunities in the Accounting Profession (COAP) and scholarship programs.

And I was particularly pleased to present the keynote address at the NextGen Conference on July 24, which offered new and aspiring CPAs an opportunity to learn how to successfully manage the early stages of their careers, develop leadership skills, make the best of every networking opportunity, and enhance their potential for advancement.

I strongly believe that the NYSSCPA must continue its advocacy role and support a legislative agenda that benefits the interests of both the public and the profession. So I am thrilled to begin my term with a legislative win for the Society and a win for public protection in New York, as the mandatory peer review bill—which requires every CPA firm that does attest work to obtain a peer review every three years, no matter what their size—was passed by both the Assembly and Senate this year. As of this writing, the bill is waiting to be signed by Gov. Cuomo.

On all these initiatives and more, I look forward to working with the Board of Directors, as we continue to work for the benefit of our members and the betterment of our profession.

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 board meeting will be held on Sept. 19, 2017, as part of the NYSSCPA Governance Forum, beginning at 8 a.m. at The Inn at Fox Hollow in Woodbury, N.Y.

For more information, email ngomez@nysscpa.org.
Legislature passes bill requiring small firms with attest clients to undergo peer review

By RUTH SINGLETON
Trusted Professional Staff

A bill (S6026A/A7895A) that would require mandatory peer review for all CPA firms in New York state that do attest work was passed in the Senate and Assembly in June and now requires only Gov. Andrew Cuomo's signature to become law.

The Society advocated for passage of the act, which eliminates an exemption from mandatory peer review for firms with two or fewer CPAs, in order to protect the public interest by conforming best practices among all CPA firms that perform audits. The legislation also streamlines the language used to describe the review process, using the term "peer review" throughout, rather than "mandatory quality review." This change was made because the process is known as peer review throughout the country among those in the public accountancy profession.

The bill passed, 60-2, in the Senate on June 21, and was sponsored by Republican Sen. Pamela Helming; Democratic Assemblyman Albert “Al” A. Stirpe Jr. sponsored the Assembly bill, which passed, 108-0, on June 14.

With the passage of this legislation, New York joins every other state in the country in requiring mandatory peer review—periodic, third-party evaluation of a CPA firm's accounting and auditing practices—for all firms that do attest work.

New York state law defines “attest” to mean providing the following public accounting services, which all require the independence of licensees:

- any audit to be performed in accordance with generally accepted auditing standards or other similar standards, developed by a federal governmental agency, commission or board or a recognized international or national professional accountancy organization, that are acceptable to the department in accordance with the commissioner's regulations;
- any review of a financial statement to be performed in accordance with generally accepted standards, developed by a federal governmental agency, commission or board or a recognized international or national professional accountancy organization, that are acceptable to the department in accordance with the commissioner's regulations;
- any examination to be performed in accordance with examination standards developed by a federal governmental agency, commission or board or a recognized international or national professional accountancy organization, that are acceptable to the department in accordance with the commissioner's regulations; or
- any engagement to be performed in accordance with the auditing standards of the (Public Company Accounting Oversight Board).

While sole proprietors and firms with two or fewer CPAs have been exempt from the peer review requirement since it was first made mandatory in New York state in 2012, that exemption has never applied to any firm doing attest work for a governmental client, in conformity with governmental auditing standards of the U.S. comptroller general (the Yellow Book).

Compilations are not considered attest work. Any sole proprietor or two-person firm that does compilations but not reviews or audits is not required to undergo peer review.

The Assembly has until Dec. 31 to deliver the bill to the governor's office. According to rules of the Legislature, if the governor receives the bill when the Legislature is in session, he would have 10 days to sign it, and his failure to act would have the effect of a veto. If Cuomo signs the bill into law, the state's already existing regulation, Section 70.10.c.5, Mandatory Quality Review Program, will apply to those firms that would become subject to peer review, which requires firms to notify the department of its change in status within 30 days and provide the department with evidence of enrollment in an acceptable peer review program within one year of either the date of the firm's re-registration or the firm's "initial performance" of attest services. However, the New York State Education Department (SED) is recommending that firms notify the SED of their change in status and show enrollment in an acceptable peer (or quality, as the regulations currently state) review program within 30 days, so that they can meet the requirement of having completed a peer review of their attest services by the 18-month deadline.

"What we have found is that it is nearly impossible to enroll [at the] one-year mark and complete the process within six months," said New York State Board for Public Accountancy Executive Secretary Jennifer Winters at a recent state board meeting. "So we advise people is that they enroll and notify [the state board office] within 30 days and get everything done they need to do. And then they don't have to come back to us twice. Do they technically have that year? Yes." Once the bill is signed, the SED will send a mailing to all CPA firms registered in New York state, notifying them of the new requirement, Winters said.

NYSSCPA holds inaugural Lobby Day

In furtherance of its advocacy for the peer review legislation, the NYSSCPA, on May 9, held its inaugural Lobby Day at the capitol in Albany. Included among the legislators whom members visited was Assemblyman Albert "Al" A. Stirpe Jr. Sen. Pamela Helming introduced bill S6026A, on May 10; Stirpe introduced bill A7895A on May 18.

NYSSCPA leaders in attendance at Lobby Day were F. Michael Zovistoski, at the time, the NYSSCPA president; Kevin J. McCoy, chair of the NYSSCPA's Legislative Task Force; Susan M. Barossi, an NYSSCPA vice president; NYSSCPA Immediate Past President F. Michael Zovistoski; Northeast Chapter President Jennifer Pickett; and John D. McCarthy, a lobbyist at Bolton-St. Johns.

NYSSCPA members and lobbyists participate in the Society's inaugural Lobby Day on May 9, in support of mandatory peer review legislation: (l-r) Bill McCarthy, a lobbyist at Bolton-St. Johns; Kevin J. McCoy, chair of the NYSSCPA's Legislative Task Force; Susan M. Barossi, a former NYSSCPA vice president; NYSSCPA Immediate Past Present F. Michael Zovistoski; Northeast Chapter President Jennifer Pickett; and John D. McCarthy, a lobbyist at Bolton-St. Johns.

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The Society's members who attended the event were pleased with the responsiveness of the legislators they met. "While I expected the representatives to be receptive, they were also engaged and asked great questions. Additionally, they acted on our request significantly faster than expected. I highly recommend everyone to get involved with future lobby days," Zovistoski said. McCoy was likewise impressed: "We had a great Lobby Day that consisted of meetings with several legislators to gather support for the priority item on our legislative agenda for 2017—revisions to the mandatory quality review section of the law. The legislators were all interested in what we proposed and had excellent questions."
This change is driven, at least partially, by the sheer amount of measurable data that business clients have started to produce, and their increasing desire to be able to harness that data in innovative ways, according to Marc T. Macalday, KPMG LLP's cognitive technology audit leader. He noted that most everything today generates data, from social media to search engines to smart appliances, in a quantity never before seen in all of human history. Successful firms and businesses will be the ones that learn to leverage this data in order to optimize their performance.

"The business(es) of the future, to be successful themselves … will need to determine from that explosion of data what's relevant for their most important business, financial and operational insights so they can make a difference to their various constituencies, be it their customers, their investors or their team members," he said.

This focus on data analytics, in turn, has already started to affect what kind of skills firms look for in their new hires—something that will accelerate as technological change infiltrates further within the industry. William T. Brennan, the managing partner for assurance transformation at PricewaterhouseCoopers (PwC), said that his firm has been making it a point to hire people educated in fields such as data analytics and security, reflecting the changing nature of engagements. Already, he said, people from technical backgrounds outside the traditional five-year accounting education make up about 12 percent of staff at his firm, and that number is set to grow.

"The more we rely on technology, the more we rely on automation, the more we rely on data analysis, our people will need to change the way they audit, from sampling and vouching and comparing and ticking and tying [to] analyzing—reviewing things earlier in their careers than they ever had before," he said.

Beyond being able to offer services like data analytics, these changes in hiring patterns are also a response to the need for CPAs to simply better understand their clients. Salvatore A. Collemi, the partner-in-charge of the Professional Standards Group at Marks Paneth LLP, noted that the business world is increasingly immersed in the information technology arena. If firms don't develop their own technological proficiencies, they will be hobblled by their own lack of understanding, quality will suffer and clients will move on.

"There is a huge need for auditors to learn [information technology], because they're really putting themselves at risk if they're not familiar with the environment—they need to catch up and learn, either having an IT specialist at the firm or someone they know externally to assist and give them a crash course on how the current environment works," he said.

Regulatory concerns

The complexity of the current regulatory environment is another major factor driving the profession's increased integration with information technology. The new revenue recognition standard issued by the Financial Accounting Standards Board replaces the myriad industry-specific guidance with a single framework based around identifying and fulfilling performance obligations in customer contracts. Robert H. Colson, a distinguished lecturer at Baruch College, said that this standard alone will require new software that can effectively track these performance obligations.

"With the way accounting standards are changing, especially on revenue recognition, [firms] have to deploy technology in ways they have never employed it before, in terms of being able to search for keywords and contracts and things like that," he explained.

Even as some standards and regulations grow increasingly complex, however, it is not clear whether existing standards will account for the growing technological sophistication of accounting practices. Some regulations may need to be updated in order to address data available because of sources such as Twitter feeds, but much of it is unstructured, with few to no controls.

"You're going to get billions and billions of terabytes of data, and then that is sliced and diced … and becomes distributed over many different servers, and then eventually winds up in the audit file. How do you know it hasn't been changed? You don't, because there's no control over it. You don't know the provenance of it," he said.

But at the same time, he said, this data can be extremely relevant. Still, the lack of controls means that, under current standards, none of this data is acceptable as audit evidence. Since audit procedures are driven by the prevailing standards, this might indicate that the procedures themselves may lag behind the technology available to audit firms.

A significant investment

Underlying all these discussions about how artificial intelligence or blockchain will change the industry is the fact that these sorts of technologies represent a significant investment by the firms that use them. Brennan noted that PwC, like the other Big Four firms, is spending hundreds of millions of dollars to buy and develop new technology. This presents the risk-averse CPA firm with a dilemma: Do you spend a significant sum of money to reap the rewards of this new landscape, or do you cede the field to others, while you can afford it and can certainly cater to that type of client," he said. "For us, we will make the shift to it, and it will be a significant investment to our clients and to the future of our firm.

Larger firms will have a significant first-mover advantage because they're the only ones that will be able to afford these types of technologies, Collemi pointed out.

"At the moment, only certain firms can probably afford it, based on the price point. But I'm sure that once that happens, the tools to provide them will likely be available. If Bob's Bowling Alley is using a supply chain that is leveraging the technology of blockchain, then it's going to be just as relevant to a small firm that works with Bob as it would be for the Big Four. … I think doing business in the next 10 years, firms of all sizes and clients of all sizes will be impacted by these sorts of things," he said.

Jonathan W. Raphael, the chief innovation officer at Deloitte & Touche LLP, acknowledged that while the largest firms will enjoy an advantage for some time, as time goes on, more people will gain access to the same technologies.

"I agree, we're early adopters and implementers, and so usually when at that phase of the curve, it tends to be more expensive and experimental, and we spend a lot of time on experiments and pilots and seeing what works," he said. "I do see, over time, things like optical character recognition, natural language processing, those becoming open-source technologies, so over time I believe it will benefit everyone. It will take some time—it's an investment up front—but over time, it will be spread throughout the profession.

Narvaron agreed that smaller firms will not be completely and utterly shut out. He said that large firms tend to service large clients that make millions of transactions across the globe, and they are the ones that currently demand these kinds of services.

"Who can do that? GE can do that. Boeing can do that. LG can do that. Big companies do that. The kind of clients that the middle tier has and small CPAs have? No," he said. "But, he noted, "The competitive advantage of first movers will dissipate."

Amanda Wilkie, the chief information officer at Witham-Smith&Brown, noted that it might take a while longer for this technology to filter down to the big firms, but eventually, there will come a time when smaller clients will actually need services like this, and some of the tools to provide them will likely be available.

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Moynihan Fund Gala

Lifson praised Mitchell as “a role model for our profession,” saying, “You spoke to the importance of a more diverse profession, appreciating the nooks, crannies and elegance of our differences and the sophistication of our similarities, but knowing that much was missing from that mosaic of our profession. ... We all look to the future of our profession and the importance of building a talented and diverse generation of young CPAs that can lead us into that future.”

In his remarks, Immediate Past President F. Michael Zovistoski announced that the Society would establish The Moynihan Scholarship Fund Inc. as a separate 501(c)(3) not-for-profit organization. “This organization,” he said, “will be responsible for administering the scholarship programs, the [COAP] program and the Benevolent Fund.” Zovistoski additionally announced that the NYSSCPA had worked with the Foundation for Accounting Education “to provide a new benefit for our members: free online CPE. … It’s already started. … You can go online and do it today, if you want.” In addition, Zovistoski presented the NYSSCPA Distinguished Service Award to John J. Kearney, the Dr. Emmanuel Saxe Outstanding CPA in Education Award to Denise M. Stefano, the Outstanding CPA in Government Award to Edward J. Torres, and the NYSSCPA Chairperson of the Year Award to former SEC Committee Chair Charles V. Abraham.

Incoming President Harold L. Deiters III spoke about his dedication to “looking at ways we can attract and keep young professionals in the CPA profession and the important role the Society plays as an advocate for our members and the CPA profession here in New York state.”

In addition to Deiters, the NYSSCPA installed Jan C. Herringer as president-elect; Anthony T. Abboud as secretary/treasurer; Paul E. Becht, John B. Huttlinger Jr., Mitchell J. Mertz and Candice R. Meth as vice presidents; and 11 directors to the board. They are: Anthony S. Chan, Mark L. Farber, Craig T. Goodman, Kimberly G. Johnson, Mark M. Ulrich and Jennifer R. George as directors-at-large, and Douglas L. Hoffman, Lynne M. Fuentes, William H. Dresnack, Dennis N. Annarumma and Thomas S. Pirro as directors as chapter representatives.


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More than 300 well-dressed revelers attended the Moynihan Fund Gala on May 17 for a good cause. Because of the gala’s success and the profession’s continuing support, the NYSSCPA is incorporating the Moynihan Scholarship Fund as its own 501(c)(3) this year.

Photos: Ebby Agu Photography

A night dedicated to making a difference

“Some are blessed to be teachers, but we all have the opportunity to shape a mind, to shape a life.”
—David J. Moynihan, NYSSCPA President, 2009 – 2010
“We all look to the future of our profession and the importance of building a talented and diverse generation of young CPAs that can lead us into that future.”

—David A. Lifson
Announcing the NYSSCPA’s 2017–2018 committee chairs

The New York State Society of CPAs’ statewide committees provide members with forums to exchange ideas; sharpen their technical skills; develop business relationships; and have an impact on proposed standards, regulations, legislation and other professional issues. The committees also pay an integral role in sponsoring various educational, public service and networking events. Members represent all segments of the profession: local, national and international public accounting firms, industry, education and government.

The following 2017–2018 chairs began their terms in June:
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State tax department revises audit response form, issues clarifying letter, in response to preparer concerns

BY CHRIS GAETANO
Trusted Professional Staff

In response to concerns raised by the tax preparer community, New York State Department of Taxation and Finance (NYSDTF) acting Commissioner Nonie Manion has sent a letter to professional associations for tax preparers, explaining the reasoning behind some of the department’s recent audit notices. In an email dated June 5 that was sent to representatives of several professional associations for tax preparers, Manion wrote:

“The Department has heard from you and your members that the request on our audit letters has caused client concern. To respond to this issue[,] I have attached a letter with an explanation of the audit programs for your members and their concerned clients.

The second document is a copy of the revised audit response form to inquiry form. The request for tax preparer information is only if it was not identified on your return[,] we removed the question about the fee[,] and the entire section was moved to the bottom. I am hopeful that these documents will help the dedicated professionals that are committed to serving their clients and improving compliance as we continue our efforts to collect the right amount of tax and timely pay accurate refunds.”

In a follow-up email, Manion noted that if a taxpayer or preparer has already received a request from the NYSDTF for responding to the tax preparation fee paid by the taxpayer, neither the taxpayer nor the preparer is under any obligation to disclose the fee to the tax department.

“It is an optional field, so it does not have to be filled in,” Manion said.

Several members on Exchange, the NYSSCPA’s exclusive social media platform, commented that these notices give their clients the impression that their CPA did something wrong or made a mistake, as they don’t know the purpose of the audit. Members also noted that the letters, which often ask for corroborating information on itemized deductions, discourage clients from making deductions at all, since clients most likely won’t want to go through the trouble of gathering all the information, making copies, and sending it off. Furthermore, even in the best case, members complained that the notices delay the issuance of refunds so that they can substantiate income, deductions and credits claimed.

The department has also released a revised audit inquiry response form to account for critiques from the preparer community. The new form removes the question about how much the taxpayer paid the preparer, and now just asks whether the preparer was paid higher-than-usual amount of deductions as well, their returns might get flagged, as they match a common pattern that the NYSDTF has noted on fraudsters’ returns.

“Our objective is to leave the good taxpayers alone. Pay them quickly, get those returns through and only stop those we think have a compliance issue."

—Nonie Manion, acting commissioner of the NYS Department of Taxation and Finance

At other times, a return could get flagged because of where it comes from. Sometimes, the information was being used to send out fraudulent returns. She said, the state will write to someone about a potentially fraudulent return coming from that taxpayer’s preparer, only to hear back from the taxpayer that it wasn’t the taxpayer’s preparer who filed that return. This means that both the preparer whose client information was stolen and the preparer the return came from could becompromised.

In such cases, she said, the department flags every return for review coming from either preparer.

“We’re going to have an individual look at every return that comes through that preparer and match it up to the history and other information, to see if there’s anything off from it,” she said.

Manion added that many preparers are unaware that they’ve even been compromised—the NYSDTF determines that it has happened, however, just by looking at the patterns surrounding them. She brought up one instance where the department got a return filed under the taxpayer’s name, with correct wages claimed and no business income—just as in prior years. How they found out it was fake was that the taxpayer generally had other income from horse races that, this year, was missing. Investigating further, the department found that that preparer, who generally had placed a very good return, had been hacked, and the preparer's information was being used to send out fraudulent returns.

“It’s a good return, but it’s coming from a client who’s been flagged in the past. That method will sometimes result in nonfraudulent returns being flagged as well. However, she said that the state needs to address potential identity theft or tax fraud quickly, because if the money is sent out to a fraudster, the NYSDTF is not going to get it back. This is why it is necessary to occasionally do things like ask for documentation that generally gets sent to the department anyway—for instance, a Form 1098 for real estate taxes.

“We don’t get that 1098 for a year and a half, and we need to look at this refund now, because it’s bad, we can’t pay it,” she said.

Manion said the department needs to make it easier for law-abiding taxpayers caught up in this system to work with the department in resolving the issue. She noted, however, that the department has about 100 people sending out hundreds of thousands of desk audit letters per year; last year, she said, it sent 374,000 such letters. The vast majority of these letters never get any response, indicating that the department is indeed blocking a lot of fraudulent refunds.

If someone is getting repeatedly flagged under this system, it indicates that something needs to change in the rules the department applies to its filtering system, according to Manion. She said that if this is happening to a client—one Society member, for instance, said that some of his clients have been audited three years in a row because of this system—it would be best to let the department know so that it can adjust the system.

“The worst thing that could happen is we write rules into the program that stop your good returns, and you are up in arms. Barring high-volume returns with a similar pattern, we will do a small test, we test things out, we fine-tune the rules before we actually incorporate that in the process,” she said.

Manion pointed out that such measures are necessary because fraudsters are increasingly targeting CPAs because of the valuable personal information they hold. While she said she’d like to go back to a time when people didn’t have to worry about these issues, she knows that she can’t. With this in mind, she implored Society members to take system security seriously and take advantage of the security measures that are out there already.

“That’s really what I need to ask of this group—to really stress securing your system, securing the system you have. We’re working with the software vendors like the Intuit and Lacertes, to stress to them that they increase their security. And if they do offer enhanced security, you will be better off doing that. This is a personal opinion, but they have to put so much security in it. If you think of your little network in your office, you probably don’t have the same level of security as the major commercial business—this is not going to happen, you need to be diligent in securing their information,” she said.
State Education Department proposes changes to annual professional ethics CPE requirement

By RUTH SINGLETON
Trusted Professional Staff

P ending approval by the New York State Education Department’s Board of Regents, in 2018, New York-licensed CPAs will be required to earn six continuing professional education (CPE) credits in ethics every three calendar years, up from the current four-credit requirement, based on a recent New York State Board for Public Accountancy recommendation.

Once the requirement takes effect, CPAs would have to earn those six credits at a rate of two ethics credits a year; however, they would be able to take a wider variety of ethics courses to fulfill four of those six credits, including behavioral ethics and other non-New York-focused courses.

The change comes after a recent State Board for Public Accountancy CPE audit found that half of all New York-licensed CPAs failed to meet their professional ethics CPE requirement in 2016. The state board pointed to multiple reasons for the failure, but they all seemed to stem from confusion surrounding the type of ethics course the state requires and when CPAs need to take them.

Priscilla “Penny” Z. Wightman, chair of the state board’s Education Committee, believes the streamlined standard will increase compliance.

“Two hours every year will make CPE easier to track,” Wightman said, after a recent state board meeting. “We were a little cautious about adding hours. But just saving the time in tracking the credits is worth paying for two more credits.”

Under the new requirements, New York-licensed CPAs would have to take two credits of professional ethics per year—adding up to six credits every three years, as opposed to four under the current requirements—and a minimum of two credits every three years would have to focus on New York state-specific ethics. But CPAs would also have significantly more flexibility in satisfying the other four credits every three years.

While two credits every three years would need to be in New York state-specific ethics, the other four credits can be satisfied in a variety of ways. Those other credits could consist of regulatory, other state-specific and behavioral ethics from in-state or out-of-state sponsors, but no more than two credits could be in behavioral ethics in a three-year period. In tandem with the changes to the ethics CPE requirements, the board moved behavioral ethics from the advisory services subject area and added it to professional ethics.

The two credits earned from New York-focused ethics courses would count toward a CPA’s 40-credit or concentrated 24-credit CPE requirement per calendar year. Wightman said that committee members asked each other, “How can we make more sense with portability, the notion that CPAs are crossing boundaries?”

The committee’s goal, she said was to “make it something that’s not onerous to the practicing professionals. We looked to all the states and what the states require,” she said, and came up with requirements that made sense for New York CPAs.

“We’d like this to be as straightforward as possible and give folks choices,” she said. But committee members were also “concerned that CPAs be aware of the fact that [there are] changes every once in a while. They need to know what’s happening in New York.”

With regard to expanding options for ethics CPE beyond the New York requirements, Wightman said, “Everyone’s excited about mixing up what people can choose as the ethics topics.”

Wightman said she also wanted to emphasize “the notion that New York [ethics] is important in the time frame, and pointed out that “someone could elect to do all New York ethics.”

Wightman is hopeful that the CPE changes will boost the CPE compliance rate. “Hopefully, this whole package will come out on the other side, and practitioners will understand what we’re trying to do to make these changes make more sense. I’m hopeful we as regulators can … evolve, and our responsibility is to help practitioners be the best they can be, as well as to protect the public interest.”

rsingleton@nysscpa.org

State Board now accepts digital analytics, IT courses as CPE

The New York State Board for Public Accountancy voted unanimously at its July 26 meeting to expand approved continuing professional education (CPE) subject areas in New York state to include courses with a focus on digital technology. The State Education Department now accepts data analytics courses under the auditing CPE category, and computer software and applications and information technology courses as valid advisory services CPE. The board will begin recognizing these approved courses immediately.

The board also voted to remove behavioral ethics courses from the advisory services category and include them under the professional ethics CPE category; however, that change needs to be approved by the New York State Board of Regents, which is expected to vote on the regulation change in the fall, in time for the 2018 CPE calendar year.

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NY Tax Department simplifies power of attorney form, process issues

Based on feedback from tax professionals and taxpayers, the New York State Department of Taxation and Finance recently revised Form POA-1, Power of Attorney, and implemented a power of attorney (POA) web application to make it easy to file. The changes are part of the department’s ongoing effort to make its forms more user-friendly and to enhance its operational efficiency.

These changes include the following:
• It’s shortened to one page.
• Only the taxpayer’s signature is required.
• The new June 17 version of Form POA-1 will no longer automatically revoke a POA currently on file.

POA web application

Both taxpayers and representatives can now create and submit Form POA-1, generated by the POA web application, using their online services accounts. If you don’t have an online services account, create one at www.tax.ny.gov/online. The web application—
• guides you through the process to help ensure that your POA is completed accurately,
• pre-populates information on file for the taxpayer and
• is the quickest and easiest way to file Form POA-1.

Simplified Form POA-1

A revised paper Form POA-1 is also now available.

Important: If you already have a signed POA that was not created using the web application, do not use the web application to submit it. Fax or mail it using the instructions on our website. The department also updated and shortened Form ET-14, Estate Tax Power of Attorney.

For more information, please visit the New York State Tax Department’s Power of Attorney webpage at www.tax.ny.gov/poa. A demonstration video about the POA web application is posted on the tax department’s YouTube channel. You can also access a link to the channel under the “Connect with Us” heading at the bottom of the tax department’s homepage, www.tax.ny.gov.

AICPA to CPAs: Municipal accounting manual not regulatory basis of accounting

The American Institute of Certified Public Accountants (AICPA) is advising CPAs who perform audits of New York state local governments not to use the Office of the State Comptroller’s (OSC) Accounting and Reporting Manual: Counties, Cities, Towns and Villages, Soil and Water Conservation Districts, and Libraries (previously referred to as the Uniform Systems of Accounts (USOA)) as a regulatory or other comprehensive basis of accounting. While the USOA facilitates the preparation of statutorily required reports about a government’s various funds on a basis consistent with generally accepted accounting principles (GAAP), it omits governmentwide financial statements, a complete set of notes and required supplementary information that are needed to form a complete set of financial statements in accordance with GAAP.

The OSC’s Division of Local Government and School Accountability confirmed that the USOA is a statutorily required chart of accounts and accounting system that facilitates a local government’s filing of a required report with the OSC. It is not intended to be a framework for general-purpose external financial reporting and should not be treated as a regulatory basis of accounting. An exception exists for fire districts, however, since New York state law provides for the state comptroller to establish a regulatory basis of accounting and financial reporting for audits of fire districts required by that statute. The OSC’s Fire District Accounting and Reporting Manual explicitly states that its requirements do indeed constitute a regulatory basis of accounting for fire districts, so audits of those statements may be done in conformity with the AICPA’s auditing standards. Also, public school districts in New York are explicitly required to have annual audits of GAAP financial statements, so this has not been an area of confusion to school districts or their auditors.

The AICPA Professional Ethics Division has opened cases alleging violations of auditing standards against several CPAs who have issued audit reports on financial statements prepared by New York state local governments in which the CPAs refer to and treat the USOA as a regulatory basis of accounting, according to the AICPA. Because this seems to have been an area of misunderstanding, the AICPA’s primary objective in pursuing these cases will be to have members fully understand and comply with auditing standards.

—Staff report
3 things small firms get wrong when it comes to protecting client data, and how to avoid them

By RANDY R. WERNER, CPA, J.D., LL.M./TAX

Industry statistics have long indicated that small and midsize CPA firms are just as vulnerable to cyberattacks and data security breaches as larger organizations. This trend is continuing, as recent claims show an increase in the frequency of CPA firm cyber-related incidents requiring response services such as data recovery, information technology (IT) forensics, legal counsel, public relations, client notification, credit monitoring and identity theft assistance.

For years, many smaller firms reasoned that they were too small and their information too insignificant for a hacker to want to exploit. “Why,” the thinking went, “would anyone try to take advantage of a three-CPA tax preparation practice, when a Deloitte or PwC may have a much larger pool of resources to exploit?” Large firms, though, have the resources to install layered and effective cybersecurity protections, leaving relatively unprotected or vulnerable small firms in the crosshairs of less sophisticated hackers.

Hackers regularly use Google Maps and Yelp to find local, independent CPA firms, and then scan the networks of selected firms electronically to determine their vulnerabilities. Often, the firms are woefully underprepared for the resulting breach and significant risk exposure due to the disclosure of client confidential information.

There are three main reasons why small businesses are particularly vulnerable to cyberattack:

1. Email storage may be unencrypted and, thus, not secure. Furthermore, Web-based email products may be easily exploited; their flaws are widely known because of the ubiquity of major email services.
2. Small businesses often have outdated, unpatched software that can be exploited at the operating-system level. For example, many small businesses still use operating systems such as Windows XP or Vista. Such systems provide an easy target for hackers, since Microsoft no longer creates security patches for these systems and their vulnerabilities are well known by “black hat” hackers. Small businesses can reduce this risk by upgrading to newer, more secure operating systems and automating their patch management.
3. Social engineering—psychological manipulation used to get a person to divulge confidential information—continues to be a problem, no matter the size of the firm. But small firms might not invest in the cybersecurity awareness training necessary to educate their employees on the ever-present dangers such as clicking on links or attachments found in emails, downloading malware through insecure websites on the Internet or on social media, or responding to requests for information from socially engineered emails designed to scare a person or tap into his or her desire for a good deal. Most hackers who target small businesses do so because the amount of time and effort required is minimal. Hacking into a machine that runs Windows XP or an unpatched operating system that does not have basic cybersecurity software is easy for an inexperienced hacker and even easier for an experienced black hat.

What can small firms do to better protect their clients’ data?

1. First and foremost, firms should encrypt every single device and make sure that each device has basic anti-virus and anti-malware software installed and configured to update automatically. A firm should keep all of its software current with security updates, and install and run software patches recommended by security experts on a regular basis (for example, Microsoft has “Patch Tuesday” every week). Cybersecurity experts are also valuable resources.

2. Acquire a secure client Web portal that will archive and store your clients’ personal documents and data. This will also lower your staff’s administrative burden by reducing their processing, sorting and filing work, and important electronic documents will be much harder to misplace in extended email threads. A number of companies provide excellent, secure Web portal services.

3. Even if a firm is careful about protecting its clients’ data, it might still be held legally liable for any data loss from hacking and other cyberattacks. To that end, it’s critical for firms to obtain strong, well-designed insurance coverage and breach-response services. Your clients will want to recoup their losses from hacking. Since it is unlikely that they will be able to do so from the hackers, they might seek to hold the firm accountable, even if the firm is not at fault (i.e., if the hacking occurred on the clients’ end). Cyber- and professional liability insurance and loss prevention are the best defenses for the firm.

For information on the Camico program, call Camico directly at 800-652-1772, or contact: (Upstate) Reggie DeJean, Lawley Service, Inc., 716-849-5618, and (Downstate) Dan Hudson, Chesapeake Professional Liability Brokers, Inc., 410-757-1932.

The following are two recent cyberclaim scenarios drawn from actual claims against CPA firms. These scenarios help to illustrate the value of cybercoverage and cyberincident response services:

Scenario 1
A CPA firm’s computer network was hacked by an outside source. The firm contacted an IT forensic firm to determine the scope of the breach—how many and which clients were affected. Forensics concluded that there was a high probability that the entire client base was affected. The CPA firm decided to notify its entire client base regarding the breach. The firm engaged legal counsel to help determine the requirements for notifying clients and preparing letters, as the affected clients resided in several states. The insurer set up a call center, and notification letters were sent to all clients. The firm’s cybercoverage paid for the IT forensic costs, the client notifications and the call center fees, as well as the legal fees.

Scenario 2
An employee of a CPA firm opened a file that he thought was from a client and immediately received a message from a hacker stating that all the firm’s files had been encrypted. The hacker demanded that the firm pay a ransom in bitcoin in order to receive the decryption key. The firm immediately contacted its IT personnel, who removed the virus from the system. However, all the files remained encrypted and inaccessible. The CPA firm retained an IT forensics vendor to assist it in paying the ransom, obtaining the decryption key and restoring its files. The firm also retained legal counsel to assess whether sending notification to the firm’s clients was necessary. After forensic work was completed, no misuse of the encrypted information was uncovered, and no notification was deemed necessary. The firm’s cybercoverage paid for the ransom, IT costs to decrypt and restore files, and legal fees.

As the preceding scenarios illustrate, a robust cyberinsurance policy, security breach response services and procedures, and an effective risk management program are more important than ever to assist firms in the event of a cyber incident. Remember: It is not a question of “if” someone will try to attack your firm, but of “when.”
The Public Company Accounting Oversight Board (PCAOB) unanimously passed a measure on June 1 that will expand the auditor’s report to include, among other things, certain critical audit matters (CAM) that investors and other users should know.

“In today’s complex economy, and particularly in light of lessons learned after the financial crisis, investors in our public capital markets want a better understanding of the judgments that go into an auditor’s opinion—not a recitation of the standard procedures that apply to any audit, but the specific judgments that were most critical to the auditor in arriving at the opinion,” said PCAOB Chair James R. Doty in his statement during the board’s meeting.

The new standard, The Auditor’s Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion, defines a critical audit matter as an issue that was communicated to, or required to be communicated to, the audit committee and relates to both accounts or disclosures that are material to the financial statements and involved especially challenging, subjective or complex auditor judgment. When auditors disclose a CAM in their reports, they must now identify the CAM and describe the principal considerations that led the auditor to determine that the matter was indeed a CAM, describe how it was addressed in the audit, and refer to the relevant financial statement accounts or disclosures.

“Disclosure of these critical audit matters should give users of financial statements a window into the audit process itself without giving away whatever subjective view an auditor might have of the specific financial information being audited. The CAMs can also alert users of financial statements to those areas of the statements to which they should pay particular attention,” said PCAOB member Lewis H. Ferguson in his own statement.

Ferguson added that the inclusion of CAMs could actually help auditors, as they present an opportunity for auditors to “show their skills.”

“If auditors want to distinguish themselves, and give the public some insight into their work and judgment, this standard provides an opportunity for them to do so,” he said.

Beyond the CAM provision, the new standard also requires that the audit report include a statement disclosing the number of years the auditor has consecutively served as the company’s auditor and a statement that the auditor is required to be independent. The new standard also updates certain standard language in the auditor’s report: Under existing PCAOB standards, the auditor must describe in the report his or her responsibility to obtain reasonable assurance about whether the financial statements are free of material misstatements. Now, the report must include the phrase “whether due to error or fraud” when referring to “material misstatements.” The new standard also requires that the report be explicitly addressed to the company’s shareholders and board of directors, at the very minimum. The audit report will retain the standard pass/fail model, with the opinion to appear in the first section.

PCAOB member Jeanette M. Franzel, while supporting the measure overall, was skeptical about the requirement to disclose the length of an auditor’s tenure, saying it may give users the wrong idea.

“I am concerned that including this information in the auditor’s report may convey an implication that there is a generalizable relationship between auditor tenure and audit quality and/or auditor independence, assumptions that may not be valid. If information about auditor tenure is important and relevant for investors and other users, then I would support an analysis of alternatives for the best party to make the disclosure and the mechanism for doing so,” she said in her statement.

While board member Steven B. Harris also supported the overall measure, he pointed out areas that, he said, could use improvement. The definition of a CAM, he felt, contains an element of subjectivity that grants auditors too much discretion; this subjectivity, he said, could make it difficult to effectively inspect entities and enforce compliance. Investors, he said, had recommended more specific areas that the audit...
“I am pleased that we have reached this moment after so many years of effort.”

—PCAOB member Steven B. Harris

The final measure represents more than eight years of effort to expand the standard audit report to include additional information, with investors believing that auditors have a more intimate knowledge of the company’s financial health than most people. The process began in 2008, with the U.S. Treasury Department’s Advisory Committee on the Auditing Profession issuing a report recommending improvements to the standard reporting model. This was followed by outreach conducted in 2010 and 2011, concluding with a PCAOB concept release in June 2011 seeking public comment on the potential changes. After two years of input, the PCAOB released the first version of the proposal in 2013.

The NYSSCPA was generally against this proposal, writing in its 2013 comment letter that the inclusion of CAMs “would not be relevant and useful to investors and other financial statement users.” The Society did not believe it was appropriate or productive for the auditor to provide information that is intended to help investors or other users in assessing the audit, nor did it think that users would get much out of the additional information if it were included in the first place. That information would only serve to muddy the waters, as the user does not have access to the factual and technical knowledge available to the auditor. Further, the Society expressed concern that the expanded audit report would increase legal liabilities for auditors.

Following similar critiques of the idea, the PCAOB withdrew the 2013 proposal and released a revised version—the one that was recently voted on—in 2016. The Society, in a comment letter written in response, was still skeptical about the measure: “We continue to believe that the inclusion of CAMs in public reports would not help users in making investment, voting, or credit decisions or enhance transparency in a meaningful way, but would dilute the pass/fail message and diminish the value of an audit report.”

All provisions—other than those related to critical audit matters—will take effect for audits for fiscal years ending on or after Dec. 15, 2017. For large, accelerated filers, provisions related to critical audit matters will take effect for audits for fiscal years ending on or after June 30, 2019; for all other companies to which the requirements apply, provisions related to critical audit matters will take effect for audits for fiscal years ending on or after Dec. 15, 2020.

cgaetano@nysscpa.org

NYSSCPA members are invited to learn more about the expanded auditor’s report on Sept. 25 in New York City, when the Society hosts a panel discussion, “The Expanded Auditor’s Report: A Dialogue,” with PCAOB member Jeanette M. Franzel, former PCAOB Chief Auditor Thomas J. Ray, Council of Institutional Investors General Counsel Jeffrey P. Mahoney, former NYSSCPA SEC Committee Chair and Mazars Financial Services Practice Leader Charles V. Abraham, and NYSSCPA President-elect and BDO National Assurance Partner Jan C. Herringer. The event will be moderated by Chris Gaetano of The Trusted Professional. To register, go to nysscpa.org or watch the discussion live at facebook.com/NYSSCPA.

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What’s something that CPAs need to calm down about? Conversely, what’s something that people in the profession need to be more concerned about?

LISA MRKALL | Tax Manager | Williamsville

I truly believe people need to calm down about what they have to say, and, instead, make time to listen to others—really listen. What you don’t say is just as important as what you do say. Whether it’s listening more effectively to clients, colleagues, friends or family, it’s something that we all probably need to get better at. We spend our workdays around folks with incredible life and career experiences. I think we could all benefit immensely if we stop to observe and listen to them more.

But when it comes to things that people are far too calm about, I believe that our profession has allowed certain services to become commodities, and [we] are losing the ability to differentiate ourselves from other providers of these services. I think we’ve not done a good enough job of communicating the value that our profession can bring in the delivery of these services—the value that we can and should deliver to our clients that sets us apart as CPAs.

michelle.cohen@monro.com

MICHELLE A. COHEN | Internal Audit Manager | Rochester

One thing that comes to mind for me, because I was personally wound up about it, is non-CPA ownership. While it doesn’t affect every CPA, those [who are affected], like me, have tended to have the view that a CPA firm should be led by only CPAs. With non-CPA ownership, the concern was that you’d have non-CPAs running the firm and making all the decisions, and then can we really call it a CPA firm at all? But the more time that has gone on, and the more I’ve really looked at it, I’m thinking that we need to change in order to stay competitive with other firms that might be offering not just CPA services but full business advisory and assistance. Your clients will just go somewhere else if you don’t offer the services they need, and the people with the experience in providing them won’t want to work for your firm if they know they’ll never have any director or equity-level positions.

The second part is easier to answer: I feel there’s a decline in young people wanting to take on traditional staff-level accounting jobs. While there have been efforts on the part of the industry to address this, both my colleagues [and I] have noticed that it’s getting tougher to interest younger people in these kinds of positions. They want to do more exciting things—working with social media or technology—instead of these more traditional positions, which we need people to do even if it’s not as glamorous. This leaves us with the question of how able the profession is able to renew itself over time. We can’t just keep doing what we’re doing and expect the problem to fix itself—new solutions are needed.

michelle.cohen@monro.com

DANIEL M. CARBONELLA | Partner | Staten Island

For something people need to calm down about, I’d say it was peer review for smaller firms. A lot of CPAs have grumbled about how it introduces so many new costs to the process, but I think it’s important to keep in mind why it’s necessary in the first place. The end user needs us to be up to date on our standards and regulations so they can have a good view of the landscape. While peer review might feel inconvenient, it overall raises the bar for everyone and results in a better experience for clients across the entire industry.

On the other hand, I feel [as though] too many [CPAs] are too calm about cybersecurity. A lot of people talk about it, sure, but did they follow through and put the proper controls in place? There are too many people with the impression that they won’t be a target—maybe because they’re at a small firm—but we need to remember that we’re still holding a lot of valuable information like names, Social Security numbers, addresses and more. A lot of that information can be used to commit fraud and other financial crimes, so it’s important for us to stay on top of things and take cybersecurity seriously.

dan@wdepa.com

WILLIAM D. RYAN | Tax Manager | Utica

I think a lot of people in the industry are much too concerned about things that are, essentially, out of our control, like health care reform at the federal level, or the new paid family leave program at the state level. Obviously, supporting the State Society—maybe even joining the Political Action Committee and lobbying directly—can have an impact, but on the level of the individual practitioner, much of the legislative process is out of our hands. Why worry about something you can’t control personally? It’s better to think about what we can control, like educating ourselves and our clients, who need our guidance and expertise. We can provide them with resources and point them in the right direction so they can make appropriate managerial decisions.

With this in mind, practitioners can’t be too calm about being proactive in helping our clients understand the implications of this kind of legislation. At the very least, this can help in preventing a firm from getting bogged down in too many phone calls asking the same question over and over—when the family medical leave program came out, for example, we were getting calls constantly. If you’re proactive, though, and put out our literature for clients to read so they can understand things, your practice will have an easier time going forward.

wryan@feldmanpaz.com
CHAPTER EVENTS & CPE

Manhattan/Bronx
Overview of Sustainability Accounting and Reporting
When: Sept. 6, 6–8 p.m.
Where: NYSSCPA Offices, 14 Wall Street, 19th Floor, New York
Cost: $50 members, $50 nonmembers
CPE: 3 (specialized knowledge)
Course Code: 29155802
Register online or call 800-537-3635

Mid Hudson
Mid Hudson Chapter Banker, Attorney & CPA Networking Event
When: Oct. 6, 5:30–8:30 p.m.
Where: Anthony’s Pier 9, 2975 U.S. Route 9W, Windsor
Cost: $85 per person
Course Code: 45020801
Contact: Jennifer Capicchioni at jcapicchioni@nrcpas.com or register online via PayPal

Nassau
Nassau Chapter Annual Golf Outing
When: Aug. 17, 10:30 a.m.–7:00 p.m.
Where: North Hills Country Club, 200 North Service Rd, Manhasset
Cost: $425 per golfer, $1,500 foursome, $150 dinner only
CPE: 2 (taxation)
Course Code: 45039802
Register online via PayPal

Nassau NextGen Golf Workshop Networking Event
When: Aug. 22, 6–9 p.m.
Where: Harbor Links Golf Course, One Fairway Drive, Port Washington
Cost: $50 per person ($60 on 8/22)
Course Code: 45030801
Register online via PayPal

Queens/Brooklyn
Annual Cyclones Game & Picnic Night
When: Aug. 22, 5:45–7:30 p.m.
Where: MCU Park at Coney Island, 1904 Surf Avenue, Brooklyn
Cost: $20 members, $40 nonmembers, $20 children ages 3–12
CPE: 8 (4 accounting; 4 auditing)
Course Code: 45160802
Register online via PayPal

Suffolk
Suffolk Chapter 22nd Annual NextGen Classic
When: Sept. 19, 7 a.m.–6 p.m. (7 a.m. hot gourmet breakfast; 8 a.m. shotgun; 1 p.m. cocktails, buffet, raffles)
Where: Hamlet Golf & Country Club, 1 Clubhouse Dr., Mount Sinai
Cost: $250 per golfer, $100 dinner only
Course Code: 45030801
Register online via PayPal

Rochester
Millennial Summit – Learn How to Start Understanding the Millennial Mindset and Engage
High Potential Talent
When: Aug. 24, 2–5 p.m.
Where: Monroe Golf Club, 155 Golf Avenue, Pittsford
Cost: $40 members, $75 nonmembers
CPE: 3 (specialized knowledge)
Course Code: 29055801
Register online call 800-537-3635

A farewell, with gratitude and appreciation

By BRUCE M. ZGODA
Buffalo Chapter Co-President

This will be my last article, and I would like to say thank you for providing me with the opportunity to serve the Buffalo Chapter for the past two years. It has been another positive part of my incredible life journey. I feel I have been blessed beyond belief. I could have never imagined I would have been provided as much as I have when I started in this profession close to 50 years ago.

I would like to thank everyone in the New York City office, especially Leila Dickenson, who was always there to assist and provide guidance. Also, special thanks to all the wonderful people in our Buffalo Chapter: Christine A. Learman, for watching over our money; Patricia A. McGrath, for keeping us loose and focused; Paul E. Kiel, for keeping us connected with our banking community; and Lisa Mirkall, for stepping up and being our secretary while Sarah L. Clare had her first child.

Thanks also go to Edward L. Arcara, for his experience and leadership; Patricia A. Johnson, for always being willing to help others; and Mr. Everything, Gregory J. Altman, who never says no to anyone. Thanks to Christie L. Adamczak, for her involvement in our growing NextGen, and special thanks to Kevin M. Penner, who was willing to work with me as a co-president and who is now our president-elect. Our new president, James E. Gramkee, keeps us in great leadership shape, and he is ready to push us in new directions. Thanks also to Daniel Whelehan and Jamie L. Lotz, for their outreach with local education institutions—they have been doing a superb job; Edward R. Steele, for pushing our membership; Jonathan D. Wilcos, for his work in technology; and Raymond M. Nowicki, for making ethics interesting, Buffalo members are just superb.

Although I leave this office, I am not leaving my involvement. As you know, I am always preaching to give back to society. I will continue, as we are on this earth to serve. We must live with humility. That means we should stay humble with our feet solidly on the ground.

Humility has many virtues: mildness, tolerance, modesty, agreeability, patience and lack of pretense. There is no place for arrogance.

Humility is not a weakness; in fact, it is a quality of great strength. It is an attitude of mind and, most important, it sends a loud message that we should never be overly impressed with our own importance. We should live with a humble heart and be thankful every day for what we have and never be concerned with what we do not have.

We should all try to be less calculating and more willing to give everything. Giving comes in many forms: a helping hand, a word of praise, a smile to a stranger, a listening ear, a small favor or a contribution to a good cause.

As I always say, Buffalo is awesome because of its wonderful, kind, compassionate and great people.
Planning for the year ahead, seeking new ideas

By JENNIFER PICKET
Northeast Chapter President

As incoming president of the Northeast Chapter, I’d like to encourage all of our members, regardless of what stage you are in your career, to get involved in the State Society. Our chapters are the lifeblood of the NYSSCPA, and each new president resolves to improve the chapter in some way. Although we have many events planned for the year, we are always open to new ideas—especially if you are willing to help make them happen.

I began serving our Society with the encouragement of former Northeast Chapter President Bill Zeronda at LCSKZ. I was interested in encouraging college students to become CPAs, so I joined the Student Night Committee. Now I chair the committee, and serve as a trustee on our PAC, in addition to beginning my term as president. This year’s officers also include Andrew A. Matthews, president-elect (and golf committee member), Maria E. Dallas, vice president, and Jamie M. Sullivan, treasurer. We also have many active committee members, who are essential to the success of the chapter’s events. Please see the website for a full listing.

For those of you who don’t know me, I began my career in the New York fashion industry, studying manufacturing at the Fashion Institute of Technology. After taking a break for a few years to start a family, I went back to college and obtained a master’s in accounting from the University of California, Los Angeles, and passed the CPA exam while interning at KPMG, and then spent 4½ years working in public accounting at LCSKZ. Since May 2015, I have been the controller at Monolith Solar Associates. The overtime is more spread out than in public accounting, but I still don’t get to ski as often as I’d like. My husband of 24 years, our five (mostly grown) children, and I live in Albany. We currently have three dogs and a cat, and although we are hoping two of the dogs will move back with their owner soon. Wrangling four animals every morning is exhausting!

I am exceedingly thankful to the chapter presidents and committee chairs who have come before me. Their hard work and dedication have made our chapter what it is today. Thank you, Tim Doyle, who took up the challenge and spearheaded the Saratoga Race Course event and greatly assisted on our first clam bake with Michelle Roberts. Thank you, Frank Ferrucci, for resurrecting the Northeast Chapter Golf Outing. Thank you, Christopher M. Cannacci, for chairing the Banker’s Dinner event and inspiring CPAs to become members or to become part of the CPA brand.

We will continue to promote our profession through our Career Day and One-on-One events with high school students. When volunteering at these and other events, which are close to our hearts, we will be wearing T-shirts with our NYSSCPA logo to promote the Society and the CPA brand.

We will also be launching a new service event this year. Its primary purpose is to identify persons, preferably children, who are less fortunate. We will purchase toys and present them as gifts. It’s our hope that events of this nature will inspire CPAs to become members or to become more involved, as they will come to enjoy that level of fulfillment derived from volunteering.

The NYSSCPA was founded in 1897—120 years ago. To have not only survived but also grown and developed over more than a century has required a huge opportunity cost, plus significant contributions from members. It is truly an honor to be a part of such a well-established and prestigious organization.
Proud to be the fifth woman president

By AMANDA L. SEXTON
Suffolk Chapter President

I was passed the baton as 46th president of the Suffolk Chapter on June 1 by departing President Brian Michels. It is a pleasure following in Brian’s footsteps, and I’m so proud to have such a strong board of directors, committee chairs and co-chairs.

The Suffolk Chapter was established in 1971, with Samuel Person as our first president and the only president in the chapter to serve two consecutive terms. There have only been four female presidents who served before me, making me the fifth female president of our chapter. Beatrix G. McKane (2001–2002) was the first, followed by Cynthia D. Finn-Barry (2007–2008), then Lisa M. Martinelli-Bowman (2008–2009) and, most recently, Elizabeth A. Vouzo (2014–2015).

Our chapter is extremely active, particularly our NextGen, Employee Benefits, Members in Industry committees and our NextGen, Employee Benefits, Members in Industry committees are especially important, as their membership serves our membership now provides us with unlimited CPE in the form of more than 200 self-study courses, further increasing the value of our membership.

As co-chairs of the recently established East End Committee, Sean Kelly and I are working to build our membership and involvement out on the eastern end of Long Island, an initiative that the chapter has had longer than I have been involved with the NYSSCPA. I recently learned that a founding and former partner of my firm and second president of the Suffolk Chapter, Irving Markowitz, had the same initiative, making our work all the more meaningful.

At our committee organizational meeting on June 21, we planned events for this fiscal year that are likely to include our first technical event, more social events and a charity 5K run within the East End community. On July 12, the East End and FVS committees jointly hosted our fourth annual Nine and Dine Golf and Dinner event at Cherry Creek in Riverhead. We have over 80 golfers registered!

The NextGen Committee had its sixth annual outdoor Superized Networking Event on Aug. 9 at Crest Hollow Country Club, held jointly with the Nassau Chapter NextGen Committee. Its 22nd Annual NextGen Golf Classic is scheduled for Sept. 19 at Hamlet Willow Creek in Mt. Sinai. I invite you to check out our calendar of events in our chapter newsletter or on our chapter’s homepage to see what else we have coming up, and I hope that you can join us.

With so many potential changes to our economy and tax code with Donald Trump as president of the United States, it is imperative that we be involved with the NYSSCPA to stay current on what’s going on in the accounting profession, which helps us to grow professionally and be trusted and informed advisers to our clients.

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MANHATTAN/BRONX

ACCOUNTING

8/1
K2’s Advanced Excel

Although many accountants consider themselves experts in using Excel, most accountants are self-taught and do not use Excel to its full potential. This course takes experienced, self-taught users to the next level. Its content is based on over 20 years of experience in delivering Excel training to accountants and on feedback from thousands of accounting and financial professionals just like you. If you use Excel extensively, you need this course. Participants will have access to sample data files.

AC/4, SK/4
FAE Learning Center
K2 Enterprises Inc.
$279/$349

8/1
Revenue Recognition: Mastering the New FASB Requirements

The effective date of the new accounting standard for revenue recognition is fast approaching. FASB has completed a convergence project with the IASB to improve financial reporting by creating common revenue recognition guidance for U.S. GAAP and IFRS. This course will provide you with an in-depth understanding of the framework for revenue recognition built around the core principle that is applied in a five-step process.

AC/8
32897811
FAE Learning Center
AICPA
$299/$424/$269/$394

8/2
Small Business Internal Controls, Security, and Fraud Prevention and Detection

This course assists accountants in evaluating, developing, and implementing an effective internal control structure in a small business environment. Additionally, in this seminar, you will learn technology-focused techniques for preventing and detecting fraud as well as securing information systems and sensitive data. Course participants will benefit from the case studies used in class in which theoretical concepts are implemented and demonstrated in leading small business accounting software programs such as QuickBooks, Sage 50/Peachtree, Microsoft Dynamics GP, and Sage 100.

AC/8
34497811
FAE Learning Center
K2 Enterprises Inc.
$279/$349

8/11
FAE’s FASB Industry Update 2017

This course delivers real-time information about current and emerging accounting guidance and developments. You’ll get an overview of new and proposed relevant accounting guidance issued by FASB, along with practical application of the guidance updates.

AC/8
21196813
FAE Learning Center
Foundation for Accounting Education
$279/$349

8/14
Latest Developments in Government and Nonprofit Accounting and Auditing

This year is yet another year of significant change in the world of government and nonprofit accounting and auditing. Let us save you time and effort in staying current through this informative update course. The course materials utilize a highly illustrative and innovative format. Over 30 focused exercises are included to provide an enhanced working knowledge of the latest developments in government and nonprofit accounting and auditing.

AC/4, AU/4
33551811
FAE Learning Center
Surgent McCoy CPE LLC
$279/$349

8/15
Audits of State and Local Governments: What You Need to Know

Whether you are a financial statement preparer or auditor, or you practice in state and local government, this course provides you with advice for handling audit and accounting issues common to state and local governments. You’ll get critical “how to” guidance on planning, performing, and reporting on your audit engagements.

AC/8
32237811
FAE Learning Center
AICPA
$299/$424/$269/$394

8/15
Not-for-Profit Financial Statements: Everything You Need to Know Today, Everything You Will Need to Know Tomorrow

This course is designed to provide you with everything you need to know today about not-for-profit financial reporting and also provide you with all the knowledge you will need tomorrow under the new FASB ASU on not-for-profit financial statements. The course materials utilize a highly illustrative and innovative format. Over 30 focused exercises are included to provide an enhanced working knowledge of not-for-profit accounting and reporting.

AC/8
33064811
FAE Learning Center
Surgent McCoy CPE LLC
$279/$349

8/21
FAE’s FASB Accounting Update 2017

This course delivers real-time information about current and emerging accounting guidance and recent developments. Participants will receive an overview of new and proposed relevant accounting guidance issued by FASB, along with practical application of these accounting standards updates through a variety of discussions and questions.

AC/8
21115811
FAE Learning Center
Foundation for Accounting Education
$279/$349

8/23
FASB’s 2017 Financial Statement Disclosures for Small to Medium-Sized Businesses

This course addresses the most frequently encountered disclosure issues associated with preparing financial statements for nonpublic small to medium-sized businesses. The instructor will answer participants’ disclosure questions, along with showing participants how to research disclosures. While not required, consider bringing your computer along with access to the Internet, in order to gain a “hands on” approach to researching disclosures.

AC/8
21153811
FAE Learning Center
Foundation for Accounting Education
$279/$349

8/24
The Bottom Line on the New Lease Accounting Requirements

How do the leasing requirements in the new standard differ from current GAAP? This course addresses that question by focusing on the core basic principles of the new standard. Discussion includes basic identification, recognition, measurement, presentation, and disclosure requirements.

AC/4
32177810
FAE Learning Center
AICPA
$169/$215

8/24
Interpreting the New Revenue Recognition Standard: What All CPAs Need to Know

The new accounting standard for revenue recognition has finally been released. FASB has completed a convergence project with the IASB to improve financial reporting by creating common revenue recognition guidance for U.S. GAAP and IFRS. This course will provide you with an in-depth understanding of the framework for revenue recognition built around the core principle that is applied in a five-step process.

AC/4
32181811
FAE Learning Center
AICPA
$169/$215

8/25
FAE’s Private Company Accounting and Auditing

Keep on top of the changes that affect your private-company clients in this comprehensive overview. The focus is on a variety of accounting, auditing, review, compilation, and preparation-of-financial-statements updates that are relevant to private companies. You’ll also learn about the status and impact significant changes to leases and revenue recognition accounting guidance will have on private companies.

AC/4, AU/4
21113811
FAE Learning Center
Foundation for Accounting Education
$279/$349

8/30
Financial Statement Analysis: Basis for Management Advice

This course presents financial statements as a set of dynamic instruments that can be used for accurate, relevant, and timely financial decisions. Focus on the economic and financial conditions that caused the statements to change, and discover how businesses can manage liquidity, debt, and profitability. Plus, explore effect ratios, causal ratios, pro forma analysis, sustainable growth, and much more.

AC/3, AU/3, SK/2
32320811
FAE Learning Center
AICPA
$299/$424/$269/$394

ADVISORY SERVICES

8/21
MBA in a Day!

The purpose of this course is to help CPAs develop a complete business finance and management background. With this knowledge and these skills, CPAs in industry and public accounting can better manage all aspects of their own businesses, while helping their clients make more informed business and financial decisions.

ADVIS/3, SK/3
33448811
FAE Learning Center
Surgent McCoy CPE LLC
$279/$349

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.nyscpa.org or call 800-537-3635. SIGN UP TODAY!
In a rapidly changing global and domestic economy, this course offers a comprehensive analysis of the business and tax aspects of buying and selling a business. It is a practical guide to help practitioners and industry CPAs understand structuring techniques.

T/8 FAE Learning Center Surgeon McCoy CPE LLC $279/$349
8/10 Buying and Selling a Business: Critical Tax and Structuring Issues

This year more than ever, practitioners need to keep abreast of tax changes affecting pass-through entities used by these business clients and employers, and this enlightening course delivers that information. You will gain invaluable knowledge; learn strategies and techniques; innovative tax-planning concepts; income-generating ideas; and other planning opportunities available to S corporations, partnerships, LLCs, and LLPs.

T/8 FAE Learning Center Surgeon McCoy CPE LLC $279/$349
8/23 IRA Boot Camp

Most individuals will accumulate a significant amount of wealth through contributions or rollovers from qualified plans into IRAs. Although the rules in this area provide tremendous planning opportunities, they are very complex. The purpose of this course is to provide insight into and practical planning suggestions for this important area of practice.

T/8 FAE Learning Center Surgeon McCoy CPE LLC $279/$349
8/24 The Best S Corporation, Limited Liability, and Partnership Update

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Best Individual Income Tax Update

This highly informative course responds to the latest in tax law developments, including discussions of the planning opportunities available to your individual tax clients. This up-to-date knowledge will enable you to further discuss new developments and tax-saving ideas applicable to your individual tax clients and their growing needs, in light of postelection developments.

T/8 FAE Learning Center Surgeon McCoy CPE LLC $279/$349
8/17 Mastering the Fundamentals of Estate and Gift Tax Planning

While the estate and gift tax have been greatly relaxed, many clients will still require estate planning services in 2017, now that the tax environment has stabilized. This course examines the fundamental elements of estate planning, including critical concepts in marital deduction planning, credit shelter trusts, selection and powers of trustees, and titling and funding issues. The comprehensive manual provides an in-depth analysis of will provisions, checklist, flowcharts, and real-life examples.

T/8 3348111 FAE Learning Center Surgeon McCoy CPE LLC $279/$349
8/22 Handbook for Mastering Basis, Distributions, and Loss Limitation Issues for Corporations, LLCs, and Partnerships

The most difficult concepts to master when dealing with flow-through business entities are the basis and distribution concepts. Major error and malpractice issues occur if the CPA does not fully understand the impact of these rules. This course is designed to focus on the practical applications of these rules.

T/8 3378411 FAE Learning Center Surgeon McCoy CPE LLC $279/$349
8/21 Case Studies in Internal Control

This practical course is to focus on planning issues in creating, operating, and liquidating S corporations, partnerships, and LLCs. As long as LLCs, partnerships, and S corporations form the backbone of many CPA practices, in depth knowledge of all tax aspects of these entities will be essential. The purpose of this practical course is to focus on planning issues in creating, operating, and liquidating S corporations, partnerships, and LLCs.

T/8 3306311 FAE Learning Center Foundation for Accounting Education $279/$349
8/11 2017 Annual Tax-Planning Guide for S Corporations, Partnerships, and LLCs

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T/8 3306311 FAE Learning Center Foundation for Accounting Education $279/$349
8/10 Taxation of Real Estate Investments

Specialized Knowledge

K2’s Advanced Excel

See course listing under Accounting.

8/1 Annual Update for Controllers

Strengthen your abilities as a controller and help your management team understand current economic issues through the latest trends in accounting, finance, human resources, treasury management, and business systems. In this course, you will discuss leading-edge topics in managerial accounting and finance in a session that is packed with useful tips and practical guidance that you can apply immediately.

SK/8 20160812 FAE Learning Center ACPA $299/$349/$269/$394
8/18 MBA in a Day!

See course listing under Advisory Services.

8/30 Financial Statement Analysis: Basis for Management Advice

See course listing under Accounting.

8/28 Audit Workpapers: Reviewing Fieldwork Documentation

Workpapers are the building blocks of an audit. If it’s not in the workpapers, the manager and partner might not know about it or consider its ramifications. Learn the fundamentals of workpaper preparation — form and content — to make sure everything is properly documented. You will also explore examples which show fieldwork supervisers what factors to consider and what steps to follow when reviewing workpapers.

AU/8 FAE Learning Center ACPA $299/$342/$269/$394
8/30 Financial Statement Analysis: Basis for Management Advice

See course listing under Accounting.

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AC/B 35064811
Surgent McCoy CPE LLC $229/$279

8/15 Audits of State and Local Governments: What You Need to Know
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AC/B 35237811
AICPA $249/3574/$219/$344

8/21 FASB’s FASB Accounting Update 2017
This course delivers real-time information about current and emerging accounting guidance and recent developments. Participants will receive an overview of new and proposed relevant accounting guidance issued by FASB, along with practical application of these accounting standards updates through a variety of discussions and questions.
AC/B 35115811
Foundation for Accounting Education $229/$279

8/22 FASB’s Auditing Update 2017
In a rapidly changing global and domestic economy, this course is a significant tool in keeping abreast of the latest auditing and attestation guidance. Participants who attend this update will receive real-time discussions of new and revised auditing guidance, along with practical application of that guidance through a variety of discussions and questions.
AC/B 35117811
Foundation for Accounting Education $144/$184

8/23 FASB’s 2017 Financial Statement Disclosures for Small to Medium-Sized Businesses
This course addresses the most frequently encountered disclosure issues associated with preparing financial statements for nonpublic small to medium-sized businesses. The instructor will address participants’ disclosure questions, along with showing them how to research disclosures. While not required, consider bringing your computer with access to the Internet in order to gain a “hands-on” approach to researching disclosures.
AC/B 35158811
Foundation for Accounting Education $229/$279

8/14 Latest Developments in Government and Nonprofit Accounting and Auditing
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AC/4, AU/4 35551811
Surgent McCoy CPE LLC $229/$279

8/13 Not-for-Profit Financial Statements: Everything You Need to Know Today, Everything You Will Need to Know Tomorrow
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AC/B 35064811
Surgent McCoy CPE LLC $229/$279

8/24 Interpreting the New Revenue Recognition Standard: What All CPAs Need to Know
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AC/4 35181811
AICPA $144/$184

8/25 FASB’s Private Company Accounting and Auditing
Keep on top of the changes that affect your private-company clients in this comprehensive overview. The focus is on a variety of accounting, auditing, review, compilation, and preparation of financial statements updates that are relevant to private companies. You’ll also learn about the status and impact significant changes to leases and revenue recognition accounting guidance will have on private companies.
AC/4, AU/4 35113818
Foundation for Accounting Education $229/$279

8/30 Financial Statement Analysis: Basis for Management Advice
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AC/3, AU/3, SK/2 35288811
AICPA $249/3574/$219/$344

ADVISORY SERVICES
8/18 MBA in a Day!
The purpose of this course is to help CPAs develop a complete business finance and management background. With this knowledge and these skills, CPAs in industry and public accounting can better manage all aspects of their own businesses, while helping their clients make more informed business and financial decisions.
AC/3, AU/3, SK/2 35448811
Surgent McCoy CPE LLC $229/$279

AUDITING
8/8 Winning the Fraud Battle in the Digital Age: Prevention and Detection
Our focus is to reduce the overall risk of fraud. To that end, this course focuses on what factors contribute to turning honest employees into fraudsters. Discussion will include integrity and ethics, as well as how people may react in certain situations.
AU/B 35060811
Surgent McCoy CPE LLC $229/$279

8/9 Minimizing Internal Control Blunders Under the New COSO Framework
This course provides practical guidance on what a sound system of internal controls looks like, and its impact on the reliability of financial statements, particularly for smaller entities. In addition, entrepreneurial risk management will be more broadly discussed in accordance with COSO’s Enterprise Risk Management—Integrated Framework.
AU/B 35081811
Surgent McCoy CPE LLC $229/$279

8/14 Latest Developments in Government and Nonprofit Accounting and Auditing
See course listing under Accounting.

8/22 FASB’s Compilation, Review, and Preparation of Financial Statements Update 2017
Participants who attend this update will receive real-time discussion and tools designed to help them better perform compilation, review, and preparation of financial statements engagements. This course addresses recently issued Statements on Standards for Accounting and Review Services (SSARSs) and the challenges arising from these engagements through a variety of discussions and questions.
AU/4 35117811
Foundation for Accounting Education $144/$184

8/25 FASB’s Private Company Accounting and Auditing
See course listing under Accounting.

8/28 Audit Workpapers: Reviewing Fieldwork Documentation
Workpapers are the building blocks of an audit. If it’s not in the workpapers, the manager and partner might not know about it or consider its ramifications. Learn the fundamentals of workpaper preparation, form and content— to make sure everything is properly documented. You will also explore examples which show fieldwork supervisions what factors to consider and what steps to follow when reviewing workpapers.
AU/B 35208811
AICPA $249/3574/$219/$344

8/30 Financial Statement Analysis: Basis for Management Advice
See course listing under Accounting.

ETHICS
8/16 FASB’s Ethics Update 2017 for Members in Business
This course, which meets the New York State (NYS) four-hour ethics CPE requirement in general studies, provides a basic understanding of the fundamental concepts underlying your ethical responsibilities and increases your awareness of critical standards and regulations. It is primarily for CPAs in business (employed or engaged in a contractual or volunteer basis in an executive, staff, governance, advisory, or administrative capacity in such areas as industry, the public sector, education, the not-for-profit sector, and regulatory or professional bodies).
E/4 35281811
Foundation for Accounting Education $144/$184

8/16 FASB’s Ethics Update 2017 for Public Practice
This course, which meets the New York State (NYS) four-hour ethics CPE requirement in general studies, provides a basic understanding of the fundamental concepts underlying your ethical responsibilities and increases your awareness of critical standards and regulations. It is primarily for NYS-licensed CPAs in public practice (individual or firm services clients). Focus is on the economic and timely financial decisions. Focus on the economic and timely financial decisions. Focus on the economic and timely financial decisions.
E/4 35278811
Foundation for Accounting Education $144/$184

SPECIALIZED KNOWLEDGE
8/1 R2’s Advanced Excel for the Accounting Professional
8/8 Annual Update for Controllers
Understand your role as a controller and help your man- age ment team understand current economic issues through the latest trends in accounting, finance, human resources, treasury management, and business systems. In this course, you will discuss leading edge topics in managerial account- ing and finance in a session that is packed with useful tips and practical guidance that you can apply immediately.
SK/B 35180812
Foundation for Accounting Education $249/3574/$219/$344
8/17 Mastering the Fundamentals of Estate and Gift Tax Planning

While the estate and gift tax have been greatly relaxed, many clients will still require estate planning services in 2017, now that the tax environment has stabilized. This course examines the fundamentals of estate planning, including critical concepts in marital deduction planning, credit shelter trusts, selection and powers of trustees, and titling and funding issues. The comprehensive manual provides an in-depth analysis of will provisions, checklists, flowcharts, and real-life examples.

T/8  35481811
Surgent McCoy CPE LLC
$229/$279

8/22 Handbook for Mastering Basis, Distributions, and Loss Limitation Issues for S Corporations, LLCs, and Partnerships

The most difficult concepts to master when dealing with flow-through business entities are the basis and distribution concepts. Major error and malpractice issues occur if the CPA does not fully understand the impact of these rules. This course is designed to focus on the practical applications of these rules.

T/8  35784811
Surgent McCoy CPE LLC
$229/$279

8/25 Best Individual Income Tax Update

This highly informative course responds to the latest in tax law developments, including discussions of the planning opportunities available to your individual tax clients. This up-to-date knowledge will enable you to further discuss new developments and tax-saving ideas applicable to your clients and their growing needs, in light of postelection legislative developments.

T/8  35611811
Surgent McCoy CPE LLC
$229/$279

8/18 MBA in a Day!
See course listing under Advisory Services.

8/30 Financial Statement Analysis: Basis for Management Advice
See course listing under Accounting.

TAXATION

8/9 Taxation of Real Estate Investments

Combining the real-life experience of working with numerous CPA firms and tax professionals around the country with comprehensive easy-to-read materials containing pertinent examples and illustrations, this powerful course will provide you with the most recent and up-to-date tax changes. It covers all the bases: recent tax law changes, the impact of passive loss rules and the 3.8% Medicare surtax on real estate, interest expense incurred to acquire real estate, the best type of entity to hold real estate, as well as myriad common consulting issues that taxpayers encounter, with regard to real estate investments.

T/8  35304811
Foundation for Accounting Education
$229/$279

8/10 Buying and Selling a Business: Critical Tax and Structuring Issues

This course offers a comprehensive analysis of the business and tax aspects of buying and selling a business. It is a practical guide to help practitioners and industry CPAs understand structuring techniques.

T/8  35062811
Surgent McCoy CPE LLC
$229/$279

8/11 Annual Tax-Planning Guide for S Corporations, Partnerships, and LLCs

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T/8  35063811
Surgent McCoy CPE LLC
$229/$279

8/16 Best Income Tax, Estate Tax, and Financial Planning Ideas of 2017

With different tax rates for individuals and trusts, tax planning takes on more importance. The purpose of this course is to explore practical tax-planning ideas that practitioners can use to assist clients with their needs. This course is crucial for CPAs who are looking for good ideas that can save clients money, and is continually updated for postelection legislative developments.

T/8  35956811
Surgent McCoy CPE LLC
$229/$279

8/23 IRA Boot Camp

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T/8  35451811
Surgent McCoy CPE LLC
$229/$279

8/24 The Best S Corporation, Limited Liability, and Partnership Update

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T/8  35604811
Surgent McCoy CPE LLC
$229/$279

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T/8  35611811
Surgent McCoy CPE LLC
$229/$279

REFER NEW MEMBERS—GET REWARDS!

As an NYSSCPA member, you benefit from a powerful network of more than 26,000 professionals. Now, you can do your part to expand the reach of the NYSSCPA by inviting your business partners and colleagues to become members.

You Get a $25 Amazon Gift Card for Each New Member, and Your Referral Gets One, Too!

It’s a win for everybody—a stronger Society with more members, an expanded network for you and your colleagues, and Amazon gift cards to say thank you for participating.

How to Grow Your Network and Get Rewards

Refer your business partners and colleagues to nysscpa.org/joinus to complete an application. On the application, they must answer the question “Where did you hear about the NYSSCPA?” by checking off the “Society member” box, then list your name and member number as the referral, AND use promo code MGAM17.

Who Can Join? The NYSSCPA welcomes CPAs and CPA firm employees. The Society also welcomes non-CPA professionals who hold bachelor’s degrees and work in government; the nonprofit sector; or in financial, legal or banking services to join as associate members.

See Complete Rules and Details at nysscpa.org/MGAM17
NYS DOL UI DIVISION – Manufacturer assessed $212K for UI taxes after exiting PEO. Arnold Standard results: UI refund of $135K; UI Reserve Account Balance positive $204K. UI Tax Rate lowered from 9.5% to 2.1% on $2MM of annual taxable payroll. **Savings in excess of $600,000.**

US DOL WAGE & HOUR DIVISION – Distributor assessed in excess of $575K for alleged wage and hour violations. Arnold Standard results: Assessment lowered significantly. **Savings in excess of $300,000.**

NYS WCB – Homeowner with Domestic Worker assessed penalty of $50,000. Arnold Standard results:
Settled for $2,500.
**Savings of $47,500.**

NYS WCB – Construction firm assessed penalty of $83,000. Arnold Standard results:
Settled for $3,500.
**Savings of $79,500.**