Women’s Leadership Forum focuses on workplace transformation

By CHRIS GAETANO and RUTH SINGLETON
Trusted Professional Staff

The NYSSCPA hosted the Forum, its first ever, as part of its effort to promote diversity and inclusion within the profession and effect change for future generations. With a focus on transforming workplace culture, the forum fostered frank and illuminating discussion on challenging issues, offered invaluable tools and insights for creating a more welcoming environment for women to thrive in, and provided networking opportunities. The brainchild of Herringer, the forum included such sessions as “The Path to the C-Suite: Achieving Success for Yourself and Others” (see page 10) and a keynote address by equal-pay activist Lilly Ledbetter: “Transforming Workplace Culture: My Story” (see page 12). The Society’s Diversity and Inclusion Committee played an integral role in recruiting the speakers and bringing the forum to fruition.

During her conversation with Herringer, Meyer-Shipp said that while the accounting profession has made some strides in terms of diversity (which she defined as “dimensions of uniqueness and difference that we all bring to the table”) and inclusion (which she said is what we do with the power of that diversity when we bring everyone together), progress has been moving at a “snail’s pace.” She noted, in particular, that while half of all accounting graduates—and 61 percent of working accountants overall—are women, only about 20 percent are partners.

“And let’s not even get started on statistics for women of color—they’re dismal,” she said.

Despite these low figures, Meyer-Shipp said it is better that organizations spend the time to get this issue right the first time, noting that imposing hastily assembled programs and initiatives will not work without a receptive culture.

Continued on page 15

TCJA means treating nonprofits more like for-profits, say conference speakers

By CHRIS GAETANO
Trusted Professional Staff

The Tax Cuts and Jobs Act (TCJA) has a number of provisions that both directly and indirectly affect not-for-profit organizations, but tax attorneys Bernadette T. Kasnicki and Louis Vlahos—speaking at the Foundation for Accounting Education’s 41st Annual Nonprofit Conference on Jan. 17—said that the targeted provisions seem to focus on narrowing the gap between rules that govern nonprofit organizations and those that govern for-profits.

For example, Kasnicki, an associate with the firm Farrell Fritz, P.C., said that the TCJA imposes a 21 percent excise tax on nonprofits that pay compensation of $1 million or more to any of their five highest-paid employees, which applies to all forms of remuneration of a covered employee. She noted, that, by subjecting nonprofits to a similar rule, the TCJA is attempting to bring ex-...
Achieving diversity and inclusion

Throughout February, the NYSSCPA celebrated Black History Month through a social media campaign featuring historic figures in the accounting profession and current pioneers within the Society. Among those we honored were Mary T. Washington, the first black woman CPA; Past NYSSCPA President J. Michael Kirkland, who is currently the president of the Accountants Club of America (ACA); Past NYSSCPA President Bert N. Mitchell, who was influential in founding the Society’s Career Opportunities in the Accounting Profession (COAP), which introduces promising underrepresented high school students to accounting and business careers every year; and Rumbi Bwerinofa-Petrozzello, a member of the Society’s board of directors and chair of its Diversity and Inclusion Committee.

Recognizing the many achievements of black CPAs is only one aspect of the Society’s commitment to diversity and inclusion. Our efforts are dedicated to making the profession more welcoming and fair place for all underrepresented professionals.

In that regard, as a profession we have room for improvement. In a speech I gave last October to members of the ACA, I mentioned a 2017 report by the AICPA that found that while 95 percent of accounting partners are white, only 0.3 percent are black.

An article in the AICPA’s Journal of Accounting this past January reported on some similar findings. Based on a survey by the Center for Accounting Education (CAE) at Howard University, the article observed that although formal mentoring and networking programs have expanded some opportunities, African-Americans are still not welcomed to informal networks where opportunities arise for members. “Navigating corporate politics and ‘establishing credibility’ remain the biggest challenges for black accountants, the CAE survey found, and while the survey did not address unconscious bias, its authors observed that unconscious bias is an explanation frequently offered in the profession. In addition, an article last December in the New York Times reported on how professionals of color encounter bias at work on a regular basis.

So what can we do to improve? At the Society, we have several programs in place to promote the careers of accountants of color, beginning at the high school level with COAP. We also offer the Excellence in Accounting Scholarship awards to promising college accounting majors across the state. For new and aspiring CPAs, we offer job listings and the Mentor Match program at nysscpa.org.

But it’s also clear that the leadership of accounting firms must take up the mantle of promoting diversity and inclusion of all types, and do it at full throttle.

At the first-ever Women’s Leadership Forum hosted by the NYSSCPA, which took place on Jan 18, Michele C. Meyer-Shipp, the chief diversity officer at KPMG, engaged in a public conversation with me about the state of women in accounting. Many of her observations about creating a more welcoming environment for women also apply to other underrepresented groups.

First, Meyer-Shipp defined her terms. Diversity, she said, refers to “the dimensions of uniqueness and difference that we all bring to the table.” Inclusion, she said, is what we do with the power of that diversity, ”creating a culture where people can show up and be their full selves, get engaged and get involved.”

The difficulty often lies with unconscious bias. “Bias is real,” said Meyer-Shipp. “If you have a brain, you have a bias. If you’re not intentionally interrupting bias, as leaders, it’s going to show up and impact the decisions we make about people.” She added, “I tell leaders, you have to get comfortable being uncomfortable. You have to get outside your comfort zone.” In particular, she spoke about a “day of understanding” that her firm recently hosted.

According to the AICPA, “conversations,” during which participants “put the issues on the table … so that they could “support each other, get to learn about each other and get to be allies for one another.” Not only was this effort successful and impactful, but leaders told Meyer-Shipp that they wanted to host more such events.

So it appears that to truly achieve diversity and inclusion, leaders must have the courage to address the biases that we each bring to the workplace. Because policy starts at the top, leaders need to be inclusive in exercising management responsibilities. In some cases, that will require all of us to educate ourselves about what inclusive leadership entails.

Now that Black History Month has segued into Women’s History Month, it is important for each of us to be mindful of what we can do to create more inclusive workplaces for our colleagues—regardless of race, ethnic background, gender, gender identity, disability or age—and to engage in the process year-round. That will require us to face our unconscious biases, and it may require engaging in difficult conversations in order to remain relevant.

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2018–2019 NYSSCPA NOMINATING COMMITTEE REPORT

JANUARY 10, 2019

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Early Bird Expires 5/6/19

June 6
Employee Benefits Conference
Register: nysscpa.org/eb19
Early Bird Expires 5/6/19

Private Company Council and FASB: partners in an innovative collaboration

By CHRIS GAETANO
Trusted Professional Staff

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even years after the formation of the Private Company Council (PCC), the body has found itself transitioning into a new role, with less emphasis on its original purpose of developing private-company alternatives to U.S. generally accepted accounting principles (GAAP), in favor of a more integrated involvement with the overall standards-setting process in support of the Financial Accounting Standards Board (FASB).

Neville Grudn, president of Merchant Financial Corporation and one of the council’s founding members, said that this was a natural evolution, as the process of looking through GAAP and finding alternatives suitable for private companies is inherently a backward-looking one, with a finite number of tasks.

“It’s natural that you run out of the look-back projects, but there’s always going to be new stuff going on and coming up all the time, and getting the input of the PCC helps the FASB [make] a decision,” he said.

Beth van Bladel, director of CFO for Hire LLC and a current member of the council, added that, over the years, the FASB has come to better understand the value that a private-company perspective brings to the standards-setting process, strengthening the two bodies’ collaborative relationship even further.

“I have found it to be an incredibly rewarding experience, working with the PCC to identify practical expedients and collaborating with the FASB to consider simplification measures or develop new standards,” she said.

The origins of the PCC

This change is reflective of an overall cultural shift within the FASB that has been taking place since the formation of the PCC in 2012, which saw an expansion of the board’s understanding of its constituents and their particular needs, according to Russell G. Golden, the current chair of the FASB. The council itself formed after the publication of a 2010 joint study by the Financial Accounting Foundation (FAF), the American Institute of CPAs (AICPA) and the National Association of State Boards of Accountancy (NASBA), that said that there were systemic problems with the standards-setting process as it related to private companies, especially in terms of the relevance of certain rules, such as goodwill impairment. It recommended creating modifications and alternatives to current GAAP rules, as well as a new board to oversee their development.

At the time, the FASB was in the middle of developing several major standards, such as those covering leases and revenue recognition, as part of its convergence project with the International Accounting Standards Board (IASB), which had a heavy focus on public companies. This reflected a larger overall focus on public companies that, Golden said, needed to be overcome.

“We had to first recognize that private companies were different from public companies,” he said. “This doesn’t mean that every transaction will be accounted for differently, but we should recognize that access to management is a substantial difference between public and private companies, and therefore we should always consider if there should be different disclosures.”

Russell G. Golden

FAF President and CEO Teresa S. Polley said that this focus on convergence led certain private company stakeholders to believe that they weren’t being considered and that their needs were secondary to those of public companies, a sentiment that she said came out during their community outreach efforts.

“I think there was a bit of a perception that this whole international convergence effort didn’t have a lot to do with private companies; it was more to do with public companies, which are more cross-border registrants, so I think at the time, the private companies were feeling disenfranchised,” she said.

While the joint report recommended that the new private company board be its own separate body, ultimately, the FAF chose to make it an advisory council to the FASB—a decision that Polley said was motivated largely by a desire to avoid bifurcating GAAP between private and public company standards.

“We just really thought that if we went down a path where we create a whole separate body with a whole separate GAAP, it would create additional complexity in the system, so that was our working premise when we went out with the initial proposal of a body that would be created under the purview of the FAF working closely with the FASB,” she said.

Continued on page 14
Operational controls review of IT for small to midsize enterprises

By JOEL LANZ, CPA/CITP, CFF, CISA, CISM, CISSP, CFE

For many small to midsize enterprises (SMEs), information technology (IT) has increasingly become a commodity used to keep up with competitors rather than a tool for strategic advantage. SMEs have no choice but to increasingly rely on vendor-developed solutions, whether these technologies serve core processing needs or niche product and service opportunities. The consolidation of core service providers further lessens the opportunities for business differentiation. As a result, SME chief financial officers, to whom IT departments frequently report, continue to be challenged both in establishing strategic revenue opportunities and in achieving cost-effectiveness savings from their IT investments.

Both an operational controls review of IT (operations review) and an IT general controls review share a number of common scope issues relating to management oversight, change control and resiliency. The purpose of an operations review is to enable management to maximize the value of investments made in technology. Unlike the IT general controls review performed during external financial or internal audits, the operations review focuses on the effectiveness and efficiency of technology investments to deliver better profitability (whether generating new revenue or saving expenses). As many practitioners will attest, good internal controls will result in efficiencies and operational effectiveness.

Before starting the review, it’s critical to understand the strategic objectives of the enterprise and how technology should align with those objectives. In a well-respected Harvard Business Review article, Richard Nolan and F. Warren McFarlan discuss how IT usually plays an offensive or defensive role in achieving the enterprise’s objectives. From the offensive perspective, IT challenges relate to “how much the company relies on IT for its competitive edge through systems that provide new value-added services and products or high responsiveness to customers.” Defensively, challenges relate to “how much the company relies on cost-effective, uninterrupted, secure, smoothly operating technology systems.” (Richard Nolan and F. Warren McFarlan, “Information Technology and the Board of Directors,” Harvard Business Review, October 2005)

Once the SME confirms its strategic objectives, it can establish the relevancy and priority of what the review should focus on. Although there is no generally accepted standard for these reviews, SMEs should typically consider the following questions:

• Is the IT function appropriately placed within the organization, and does the function have the necessary leadership and management assets to enable the IT function to satisfy and deliver according to executive management’s expectations? This is critical in offensive-minded organizations where IT must have the organizational influence to facilitate the introduction of innovative solutions.

• Are the service mix and sourcing of the performance of the services (e.g., retained internally or outsourced) reflective of the business objectives, and is the effectiveness of provided services accumulated and monitored? By outsourced, I also mean cloud solutions. The latter have enabled organizations of all sizes to seize opportunities provided by technology at expense levels that better match organization revenues. However, the performance of vendors and their adherence to contractual expectations (through relevant service-level agreements) need to be monitored on an ongoing basis. Outsourcing is more likely to be used by defensive companies that are more interested in cost-effectiveness, although this is not always the case.

• To what extent have financial management practices been implemented by IT? This could also include determining, from a financial analysis perspective, what metrics are used to judge performance by comparing the performance of a firm to that of its competitors and similar types of organizations (e.g., benchmarking the IT budget as a percentage of revenue, total operating expense, etc.). This can be a challenge, as many SMEs struggle to determine the appropriate amount of investment in technology needed to achieve their organization’s objectives.

• Are critical applications and “core” application systems effectively implemented within the business area, and are system features maximized to the extent possible, so as to enhance the ability of business users of the system to achieve their objectives? Underutilization of acquired software is a symptom of the organization either overspending on technology or underinvesting in the training and development of its people to utilize the technology available.

• Is IT risk being managed to an acceptable level, given the business objectives identified above? In seeking new

“[T]he operations review focuses on the effectiveness and efficiency of technology investments to deliver better profitability (whether generating new revenue or saving expenses).”

Joel Lanz, CPA/CITP, CFF, CISA, CISM, CISSP, CFE, is the sole proprietor of Joel Lanz, CPA P.C., and a visiting assistant professor at SUNY College at Old Westbury. He is a member of the NYSSCPA’s Technology Assurance and Internal Audit committees, as well as the CPA Journal Editorial Advisory Board.

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Documentation tips for tax season

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

This year, tax practitioners are faced with the burden of how to address the complexities and implications of tax reform with their clients, without putting their firms at risk. Good documentation is critical to successfully managing risk, as well as client expectations.

Claims experience and jury research show that juries expect CPAs to retain comprehensive documentation on all facets of an engagement, including conversations about CPA services, advice and decisions. Memories of critical events fade over time, and the client’s memory may differ significantly from the CPA’s, especially if the client’s expectations are not met. Juries will generally take the view that the CPA had a duty to document and, in the absence of documentation, they will give the benefit of the doubt to the client. Thus, if CPAs fall short of that expectation, they may, when faced with a liability lawsuit, be viewed as negligent and acting below the standard of care for the services rendered.

The following are some documentation tips to follow for tax season:

Always document significant meetings, communications and follow-up. Written communication is recommended in situations such as—
- a change in the scope of an engagement (which may require a new engagement letter);
- negative circumstances (e.g., the tax return is already late, the client has failed to timely provide information, the client is facing an audit);
- judgment calls (e.g., the client’s former CPA took an aggressive position that the client is aware of and has consented to);
- circumstances in which the CPA recommends a course of action, or advises and informs the client, and the client decides on the course of action; and
- conversations regarding transactions or amounts used for extension payments.

Obtain written confirmation of the amounts used for calculations. For example, a CPA should send a confirmation to the client with the tax-extension payment form, giving the client an opportunity to review the information and to change any information that appears to be incorrect, prior to April 15. The confirmation then serves as a record of the client’s representations in case the client incurs a late-payment penalty.

CPAs who need information at the last minute to complete a return should request that the client send the data via email or fax; that request should then become part of the CPAs records, support and documentation. CPAs should remind the client that the return may need to be extended if the client fails to cooperate with the request.

Use informed-consent letters in engagements involving matters such as S corporation elections or conversions, estate tax planning, and aggressive or gray tax strategies (the latter meaning those with a roughly 50-50 chance of being sustained). Clarify that the CPA advises and informs, while the client decides. Having this letter would make it difficult for clients to claim later that the CPA made the decisions and is responsible for the results.

If the client wants to pursue an aggressive or gray tax position, consider asking the client to provide an opinion from tax counsel confirming that the position has a realistic possibility of being sustained on its merits, if challenged. If advising a client on a complex transaction or exchange, the CPA may want to have legal counsel review the documentation before passing it on to the client.

Documentation should be factual, professional and without personal comments. Any personal comments may be inappropriate and damaging to the integrity of the documentation. CPAs should ask themselves whether they or their client would be harmed if the documentation was presented to the members of the jury.

Remember, be proactive—not reactive—when working with clients. It is important to recognize that some clients may no longer be “the right fit” for a particular firm; disengaging from those clients may be in everyone’s best interests, in the long run.

Randy R. Werner, CPA, J.D., LL.M./Tax, is a loss prevention executive with Camico (www.camico.com). She responds to Camico loss prevention hotline inquiries and speaks to CPA groups on various topics.

For information on the Camico program, call Camico directly at 800-652-1772, or contact Dan Hudson, Chesapeake Professional Liability Brokers, Inc., 410-757-1932.
Another former Society president looks back on how the profession has changed for women

By CHRIS GAETANO

I joined Deloitte Haskins & Sells in 1981, when I stayed for nine years. I was in the audit department, and we had about 75 people in my starting class. Of that 75, maybe one-third were female.

This was the early ’80s, and things were very different than they are today. For example, there was an unwritten rule that women were not going to be considered for management positions on audits in certain industries or certain types of engagements. Fortunately, that is not the case today.

Furthermore, when I started, there was also a perception that women would only stay so long, that they would leave once they had children. While that may not have been the case, that perception influenced the careers of many women.

Finally, there weren’t really a lot of female mentors back then—when I started in Deloitte’s New York City office, there was only one female partner in the audit department. Over the course of time, another was added in tax and then, finally, more throughout all the disciplines. I can’t remember the exact number of women by the time I left.

A lot of the discussion has been about gendered dynamics within firms. Did these dynamics play out with clients as well, and, if so, how?

I think the clients were actually more receptive in a lot of ways, at least mine were. I think, for me, they appreciated the personal touch I brought to the table—all those soft skills they talk about in business seminars. When I gave my first speech as NYSSCPA president, I talked about why people get involved in accounting, to which most people reply, ‘Oh, I was good at math.’ While that may be true, that’s not what makes someone successful. In addition to technical skills, soft skills can really make a difference—you need to talk to clients and bring people together to work as a team. I believe that’s what makes you successful.

You rose to the position you’re in because you were very good at your job. Sometimes, women in the business world can have difficulty getting recognition for their own skills and accomplishments. Was this a challenge that you faced, and, if so, how did you make sure you got the credit you deserved?

I think that came later. I left public accounting in 1990 and went into private, where, among other positions, I was CFO of a small mortgage banking company for 10 years. That company is where I first really learned to use all the skills that I had developed before, to really help manage a company as one of its senior management. At the same time, I stayed connected to the State Society because I really believed that it was a way I could learn to be a leader, to run a meeting, to get people to cooperate—all in a safer environment that was not my job.

It’s interesting that you mention that. Could you talk a little more about the role that the NYSSCPA played in your career? Did networking with other women help you?

Marilyn [Pendergast] gave me my first chance at the State Society. I came onto the Board when she was president, and she asked me, as a brand-new Board member, to be on the Executive Committee. It was very interesting. On that Board, Marilyn was president, and there were two other women besides me. They had more experience than me, but we really helped each other. I didn’t experience that, for the most part, in my job, since there were no other women in senior positions at my company, so that was why it was so nice to have that experience at the State Society.

At my first Annual Meeting, I had lunch with these other two women by the pool, and one of them said, ‘Should we sit in the back?’ and I said, ‘No, let’s sit right in the front; we have nothing to hide!’ And Board member after Board member came up to us and commented, ‘Oh, are you ladies having lunch?’ We invited each one to join us, but no one wanted to intrude on our ‘ladies’ lunch.’

If we had been three guys getting lunch together, no one would have given it a single thought. But three female Board members together—they must be planning something!

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—NYSSCPA Past President Sharon Sabha Fierstein

Generally speaking, where have there been the biggest changes for women in the accounting profession since you first started out?

I think, across the board, not just for women, the concept of having work-life balance—that you don’t always have to be in your office, and that you can work remotely—has been a big change. It’s encouraged people to recognize that having a family and working in a public accounting firm are not mutually exclusive concepts. If I’m the client and I call a partner with a question, they could be anywhere; they don’t have to be in the office; they could be with their family or in another part of the country or working from home. It’s irrelevant where they are—I just need to talk to them.

We’ve also seen a lot more women who’ve been promoted to partner and even managing partner. It’s not unusual anymore for women to be in senior positions in public accounting firms. I really do think it’s a completely different world compared to when I started. I see it now from the other side, since I’m in a private company, where the senior audit team is all-female. We just focus on whether we receive good quality service, not on who’s providing it.

For students starting out in public accounting firms today, it’s now about 50-50 male to female, which means expectations are different. Firms have to be different; they can’t have the attitudes about women and work that existed when I started.

Why did you choose accounting as your career?

I was a math-economics major at a liberal arts school, so my options were really open. I was considering some bank training programs, but eventually decided that accounting would give me a better foundation in business. I believed then, as I do now, that with an accounting background, you have many career opportunities available to you.

What was your first accounting job like?

Sharon Sabha Fierstein

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What was your first accounting job like?
By CHRIS GAETANO
Trusted Professional Staff

WOMEN’S LEADERSHIP FORUM

Women’s Leadership Forum speakers share lessons from journey to the C-suite

SPEAKING at the Foundation for Accounting Education’s Women’s Leadership Forum on Jan. 18, a group of top women executives discussed their journeys on their way to the C-suite, as well as the challenges and pitfalls they overcame to get there. While the conversation—moderated by Kimberly G. Johnson, a partner at KPMG—was wide-ranging, several themes began emerging throughout the course of the talk.

One was the need to get out of one’s comfort zone and take risks. Panelist Ramona Cedeno, the founder and CEO of FiBrick Financial Services, Inc., understood this principle from the age of 19, when she decided that she would move from the Dominican Republic to New York City to study accounting at Baruch College. At this point, she was already married and expecting her first baby. Her drive to take risks also factored in when she decided to start her company.

“I left my company on a whim,” she said. “I went home and said, ‘I’ll take a month off,’ and the idea of starting my business just evolved.”

Despite having years of experience in the accounting field, some savings to live off while she got the business off the ground, and a very supportive husband, she described the experience as “really, really scary.” Yet, as soon as she registered her company, someone she knew offered her a CFO position. She said she wasn’t looking for a job, but could work as a consultant, “and that was my first customer, and the others came from referrals.”

Another panelist, Holly Gagnon, president and CEO of Seneca Gaming Corp., said, “A lot of my positions came from being a risk taker and going where no man wanted to go.” These places included Philadelphia, Miss., and Shreveport, La., at a time when most people in the gaming industry did everything they could do to work in either Las Vegas or Atlantic City. She also noted that she wasn’t afraid to “do a lot of zigging,” noting that she also spent two years as a professor at the University of Massachusetts, worked in information technology, and performed both CFO and HR roles at a company. She conceded that accountants tend to be risk averse by nature, but said that real success requires leaps of faith, which sometimes involve making mistakes. People should not let this discourage them.

“If you’re not making mistakes, then you’re not making enough decisions,” she said. “Playing it safe does not yield big wins.”

The panel also talked about the importance of mentorship, which can take many different forms. Andrea Madho, the co-founder and CEO of Lab141 Inc., an on-demand manufacturer of luxury clothes, said she used to work in finance on the mid-1990s, at which time she said “it was Wolf of Wall Street, it was all that.” While not pointing to a formal mentoring experience at that time, she said she gained a lot from watching what others did in the industry. Madho talked about one woman in particular, who taught her a lot just by showing her how she navigated the company and how she treated clients.

At the same time, Madho said, she is also part of an advisory program for aspiring female entrepreneurs, and while she acknowledged that it was a cliché, she said “I get more back from them; they have given me such faith in younger women.”

Gagnon made a similar point, saying that she regularly sits with her employees at lunch, which allows her to find out how the workers are experiencing the organization and what issues might not be bubbling up to her level. For instance, she said she hadn’t known that the building didn’t have heating or air conditioning on the weekend, when some people working, and so she hadn’t been able to fix the problem until her employees raised the issue with her.

She also said that she is a strong believer in peer mentorship, observing that she knows two other female executives in the gaming industry—there are not a lot of them—who are “my little peer group, or board of directors.” Gagnon said that she can hash issues out with this group, as “they know my industry, so I can say it can be peer to peer, and get that mentorship at a certain level.”

Katelyn N. Kogan, a senior manager in the real estate services group at Mazars USA LLP, noted that mentors can also be found outside one’s firm, such as at the NYSSCPA. She said that, early on, she was very excited about the real estate industry, so she worked to get into that industry practice area, went to industry events and accompanied partners when they would visit real estate clients. Eventually, she got a master’s degree in real estate. When she joined the Society’s Real Estate Committee, she said that she found men there who became good mentors for her and encouraged her to get more involved. This encouragement eventually led her to become the current committee chair. She said it was important to play to one’s strengths and passions.

“If I’m passionate about something, I want to get as involved as I can,” Kogan said.

The panelists did concede that work-life balance, despite what one might read in the business journals, is very difficult. Gagnon advised people not to put too much pressure on themselves to maintain a perfect balance and achieve an impossible standard. It does not do oneself or one’s loved ones any good. She said that she was fortunate enough to have worked in companies that gave a lot of flexibility in family matters, but observed that it was still difficult for her, particularly when her two daughters were young. Yet she said that the quality of the time one spends with family is more important than the quantity, observing, “If it’s an hour, make it a great hour.” She told the audience to have faith that their kids are more resilient than they think.

“The relationship I have with [my daughters,] now [that they are in their 20s,] is so incredible, and they respect me for having my own identity and my own life,” Gagnon said. “If you choose to work, you should be proud of it and your decisions, and you will figure it out.”

One message the panelists conveyed was not to feel guilty about asking for help—not just in business, but in life. Cedeno said this was a lesson she had to learn over the years. “My son is my bookkeeper, my brother is my IT guy, and my son’s friends check and sort my mail. I work a lot and I ask for help.... I don’t mind asking for help,” she said.

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One thing she said she has seen bearing good results has been “reverse mentoring,” where more successful organic relationship,” she said. With the formal programs, sometimes you can force a match and it doesn’t work. And in more traditional areas. Beyond moving with the intent of finding talent in traditionally underrepresented areas. Beyond intent, though, she said that it is also important to have a way to strategically and intentionally measure progress in all these areas, not just by hiring, “because what often happens is people hire, hire, hire, but people don’t stay and grow.”

“Don’t just tell me you want me to come here, but when I get here, I’m not put on teams, I’m not taken to the best assignments. Don’t do that,” she said.

These efforts should also be backed up with data, such as through employee opinion surveys, which, she said, are critical in understanding what workers are experiencing. She said she makes it a point to see all such surveys at KPMG.

While mentorship is a critical part of career advancement, Meyer-Shipp has found that arrangements set up by formal in-house programs are sometimes less effective than ones developed through a more informal organic process. She said that people entering the profession are excited to have mentors, colleagues who “can talk to them and help navigate their career, who can show them the ropes of the politics of navigating the firm, who can help when they have a challenge and don’t know how to manage it.” But sometimes, more formal programs don’t always bear fruit.

“Some organizations have formal mentorship programs that are firmwide, and some firms have informal mentoring programs. We have both, and there’s no magic bullet. With the formal programs, you come in contact and it doesn’t work. And in more informal programs, you might end up with a more successful organic relationship,” she said.

Not that formal programs have no value. One thing she said has been seeing good bear is that sometimes people have a sponsor, she said.

“Sometimes, as an organization, we had to figure out what they didn’t know was going on in the middle of the organization, about issues that junior talent was having in the organization. By the time they finished talking about the experience, every member of the management committee wanted a mentor,” she said.

She drew a distinction between mentorship and sponsorship, which she said can be “a little more dicey.” Sponsors do not counsel, and some mentors may even not know they have a sponsor, but sponsors watch what new talent can do and decide themselves whether they want to promote a young professional’s efforts to other members of the leadership team. “You don’t pick one—they pick you,” she said. When she worked in finance, she herself didn’t even know she had a mentor until she was called in by the CEO, who told her that two people had been watching her and were very impressed, and then asked if she wanted to be chief diversity officer. While she said that some organizations have formal programs to match people with a sponsor, she has generally been more skeptical of them, compared to formal mentorship programs.

Several times during her conversation, however, she also stressed the importance of taking ownership of one’s own career, exhorting the attendees to ask for what they want, to raise their hands and let people know what they’re interested in, and indicate that they’re eager to make forward progress, since many people may make assumptions about them otherwise.

“One thing to do: Don’t ever leave an organization until you really are candid and transparent with your leader on what’s going on, is saying she has been living out of a suitcase for months. She said that leaders need to figure out how to work smarter, not harder, because this current model of long hours is simply not sustainable in the long term. “Work-life integration is a huge issue impacting not just women but men, people who not only have kids but those trying to care for other personal needs, for other family members.”

Other conference sessions included the following:

“Making Your Case: How to Get the Pay and Recognition You Deserve”

In a discussion moderated by Nadia Maria C. Matthie, a partner at WithumSmith + Brown, PC, panels discussed the skills needed when entering a pay negotiation. As the panelists offered their suggestions, and attended made their own contributions, Matthie wrote down on a poster board a list of “nuggets”—considerations to bring to the table when engaging in a pay negotiation. At the top of the list were “ask for what you want” and “what is your brand?” meaning understanding and articulating one’s value. Matthie observed that when a candidate is seeking a new job, she is “selling the brand”; when an employee is seeking a raise or promotion, she is “reinforcing the brand.” These two negotiations require different tactics. Other nuggets discussed included making a list of one’s contributions and having on hand, being prepared, knowing the top of one’s salary range, being calm, collected and confident, and doing compensation research.

Networking Lunch with W. Brad Johnson

W. Brad Johnson, a professor of psychology in the Department of Leadership, Ethics, and Law at the U.S. Naval Academy, and a co-author of Athena Rising: How and Why Men Should Mentor Women, discussed the importance of making progress. When they are not engaged, that number is only 30 percent. Johnson also noted that men often learn useful information from the junior women they mentor. He then advised women to ask the right questions in their interviews and explain what they hope to gain from the experience. He also stressed the importance of networking and asking for advice from people who may have more experience than they do.

“Making Mentoring Work”

Thalia S. Smith, a partner at Deloitte, served as the moderator for this panel, which included Dr. Johnson along with Jennifer Allyn, diversity strategy leader, gender and LGBT initiatives, at PricewaterhouseCoopers; and Phillip Austin, national assurance managing partner—auditing, at BDO USA LLP. Smith began by saying that research from Harvard Business School revealed that “when women are mentored, they make more money; they receive more promotions, and they find greater satisfaction in the accounts that they have.” The panel then discussed what makes a great mentor relationship. Johnson said that in an ideal world, it should have a friendship component, as well as a component focused on the mentee’s career in which the mentor throws down challenges. Austin said that the mentoring relationship should be about “accountability, honest, and discipline.”

Allyn advised that because there are still few senior women in prominent positions, young women who want mentoring from senior women must be respectful of the time of senior women. Smith summed up the panel’s advice by saying that “one needs to reach out, but if you don’t seek out mentors, there doesn’t need to be a limit on the number of mentors, there must be give-and-take relationships, and mentees need to be able to take feedback.”
Lilly Ledbetter: Bias is ‘an epidemic’ that we must fight to end

By CHRIS GAE TANO
Trusted Professional Staff

Lilly Ledbetter, a keynote speaker at the Foundation for Accounting Education’s Women’s Leadership Forum on Jan. 18, made headlines when she took her employer, Goodyear Tire & Rubber Company, to court over years of pay discrimination. While the Supreme Court ruled against her, holding that her claim was time-barred, the aftermath prompted the passage of the Lilly Ledbetter Fair Pay Act into law in 2009. Since then, Ledbetter said she has talked to many women around the globe and has concluded that the kind of discrimination she experienced is a worldwide “epidemic” that won’t go away unless people, especially women, actively fight.

“They’ve been taking advantage of women who work and produce and contribute and don’t get paid equally,” Ledbetter said. “I’ve heard it from women who are single mothers working two jobs through the week and another on the weekend, and they still can’t pay their bills. This is not right in this country.”

In order to speak up for themselves, however, she said that women need to get more comfortable discussing their salaries. Right now, she said, salary is seen as a sort of proxy for one’s overall worth in society, and “that is what keeps a lot of women from talking about their pay.” Being able to fight for equal pay means learning to discuss pay in the first place.

“One thing I learned is [that] your salary determined who you are, how you live, what kind of car you buy, the house you live in, the kind of education your children get, [and] the clothes you buy,” she said.

Members of the audience shared different ways they’d found out they were paid less compared to their male peers. One said she found out at a happy hour, when colleagues were a bit more candid than usual. Another said she used the website Glassdoor.com, which has pay scales for many different companies, and she also mentioned the option of consulting recruiters in a given field.

Ledbetter said that once a woman has evidence of a pay disparity, she should first try to address the problem internally; she noted that she has a great respect for the chain of command. In her case, management repeatedly rebuffed her attempts at achieving pay equity, to the point where she felt she had no other choice but to make a complaint to the Equal Employment Opportunity Commission (EEOC). For those trying to do the same thing, she noted that the EEOC requires proof. She said she kept a regular diary of what she’d made while working at Goodyear. She added that people would do well to remember that raises also tend to be calculated on a percentile basis. Overtime is also calculated as a percentage of base pay. More immediately, she said that deferring the question also means giving up all the pay one will make throughout the course of an entire career. Overtime is also how much one will make throughout

Noting that she had recently given a speech in Rome, and that her book is selling well in Japan, she said, “They have the same problem we do … This is around the world; it’s not just in the south.”

While it may be tempting to quiet down if a manager promises to revisit the issue of pay inequality soon, Ledbetter said that women literally cannot afford to do that. She talked about how being underpaid, compared to her peers, directly affected her retirement, given that the pension was a percentage of what she’d made while working at Goodyear. She added that people would do well to remember that raises also tend to be calculated on a percentile basis, meaning that one’s pay not only affects today but also how much one will make throughout the course of an entire career. Overtime is also calculated as a percentage of base pay. More immediately, she said that deferring the question also means giving up all the pay that one should be receiving, which cannot be recovered even after a raise.

“That’s gone, that’s gone forever, and there is nothing in the law allowing a person to get it back,” she said.

“Goodyear had a lot of contracts with the government, and I thought, they had all these rules and guidelines; surely they would be held accountable,” she said. “That was my mistake. I didn’t know they wouldn’t.”

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EMERGING TRENDS CONFERENCE

WOMEN’S LEADERSHIP FORUM

Lilly Ledbetter (center) was a keynote speaker at the Forum. She also participated on the panel “Making Your Case: How to Get the Pay and Recognition You Deserve,” with Patricia Goodwin-Peters (left) and Meredith Hauptman (right).
PARTNERSHIPS AND LLCs TAXATION CONFERENCE

Speaker: IRS now applying new centralized partnership audit regime

By CHRIS GAETANO
Trusted Professional Staff

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tarting this year, partnerships will be subject to the IRS’s new centralized partnership audit regime, a change that will require entities to adjust their thinking about how tax liabilities apply to individual partners, said Dean L. Surkin, a principal with Getty Marcus CPA, P.C., who spoke at the Foundation for Accounting Education’s Partnerships and LLCs Taxation Conference on Jan. 23.

Surkin said that the IRS’s process for auditing partnerships has gone through many changes over the decades. Prior to 1982, he said, examinations would be performed on each individual partner, rather than on the partnership as a whole. This could be a rather time-consuming and costly process for the IRS, so in 1982, Congress passed the Tax Equity and Fiscal Responsibility Act (TEFRA), which gave the IRS the ability to audit the entire partnership entity. In general, under this new regime, any imputed underpayment is calculated as the net of all adjustments, including any increase or decrease in losses or credits, multiplied by the highest rate of tax in effect for the reviewed year, “whether it’s the Section 1 rate for individuals or the Section 11 rate for corporations,” he said. When making allocation adjustments among partners, he added, only increases to a partner affect the imputed underpayment; any reductions to another partner are disregarded.

Opting out

Certain partnerships can opt out, provided they have fewer than 100 partners. He cautioned, however, that the IRS counts partners by the number of Schedule K-1s filed; so if a partnership never had more than 100 partners at any one time, but the partnership interest changes hands, it could still be over the 100-partner limit for this rule. If a partnership does make this election to opt out, then it needs to disclose the name and taxpayer identification number for each partner, and if one of the partners is an S corporation, then it needs to disclose the names and taxpayer identification number of each shareholder. The partnership itself also needs to inform the partners that it is making this election.

“Yes, it has to notify the partners [of a decision to opt out] because what this is saying is, ‘If there is going to be an audit, we are not handling it for you. We have just dumped this onus on you!’ That’ll teach you!” he said.

If any partner is a trust, a foreign entity that would not be classified as a corporation in this country, a disregarded entity, a nominee for another person, or another partnership entity, then the partnership is disqualified from making the election to opt out. In addition, single-member LLCs are disregarded for tax purposes, but for the purposes of audits, they are also unable to make the election. Also barred are estates of an individual other than a deceased partner.

Surkin also noted that partnerships will need to remember that there is a difference between the reviewed year, the tax year in question and the adjustment year, when a final decision is made about the reviewed year. For example, if an entity has different partners between the reviewed year and the adjustment year, the tax is still imputed to the new partners, even though they were not in the entity at the time. Furthermore, interest starts on the due date for the reviewed year, and ends on the due date for the adjustment year.

Partnerships cannot afford to wait until they find out they’re being audited to start thinking about this new audit regime. Surkin noted that one of the requirements of the new audit regime is that every partnership must name a partnership representative, and that this representative, who need not be a member of the partnership itself, is the one who communicates with the IRS. A partnership must note this representative on the annual tax forms, and if the partnership fails to do so, the IRS will simply appoint one for it. In this respect, the role of partnership representatives is similar to that of “tax matters partners” under TEFRA, said Surkin.

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The beginning of the collaboration

Golden said that the first collaboration between the two bodies was in developing the new PCC’s decision-making framework, which was the first time that there was an acknowledgment on the FASB’s part that there was a need to have private company considerations. He also emphasized the importance of involving private companies in the decision-making process, stating, “Our experiences were not limited to just private companies, and it needed to expand its understanding of exactly who its constituents were and how it had fallen short in meeting their needs over the years.”

Changes within the FASB

As the FPC undertook this work, the FASB came to understand that the issues with GAAP were not limited to just private companies, and that it needed to expand its understanding of exactly who its constituents were and how it had fallen short in meeting their needs over the years. This understanding has turned into what Golden said was a cultural change within the FASB, which now talked about “how we need to serve all stakeholders equally,” not just public companies but private companies, not-for-profits, employee benefit plans and other entities.

He noted that this process also got the FASB thinking about how even public companies might benefit from the changes made with nonpublic companies in mind, namely in terms of touting down some of the complexity that had built up in GAAP over the years. It was this thinking that led to the FASB’s simplification initiative, which made narrow-scope simplifications to accounting standards through a series of short-term projects.

“What the PCC, at the broad level, was talking about was how we can make GAAP simpler without losing the relevance to the users,” Golden said. “We made quite a number of improvements there, and a lot of those ideas came from PCC members and stakeholders, as well as public company stakeholders.”

The FASB’s changes have, in turn, reflected back to the PCC. The current chair, Candace E. Wright, a director with Postlethwaite & Netterville, said that the FASB has enabled collaboration of the sort that she did not believe would have been possible 10 years ago.

Consequently, rather than wait for the PCC to develop a GAAP alternative for a new standard, the FASB is increasingly opting to involve the PCC in the process from the start.

Beth van Bladel

“it can be very challenging to balance the needs of users, auditors and preparers of financial statements,” Van Bladel said. “Fortunately, we have the Private Company Decision-Making Framework, which provides an objective guide to facilitate our deliberation process. I am confident the PCC will continue to be a resource to the FASB as it continues its efforts to balance the needs of users and auditors with the cost and complexity for preparers.”

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empt organizations into parity with taxable ones.

Vlahos, a partner at the same firm, said that it’s actually a little worse for nonprofits under the new rules. For-profit organizations have two carveouts for the deduction limit: One is if the pay is reasonable for services rendered previously, and the other is for parachute payments that represent payment for services going forward “because we’re not firing you but keeping you.” Not-for-profits, on the other hand, have no such carveouts.

“This, again, goes into the question of parity, but parity with a vengeance,” he said.

Along similar lines, according to Kasniski, the TCJA seems to be harmonizing regulatory treatment between different types of nonprofits, too. Colleges and universities, she said, have traditionally been treated like public charities, but a new excise tax imposed on their endowments puts them more in line with private foundations. The new law imposes a new 1.4 percent excise tax on net investment income, which, she said, represents a big change for educational institutions. The tax kicks in when a private institution has at least 500 tuition-paying students, at least half of whom are in the United States, and the aggregate fair market value of assets minus those for an “exempt purpose” is at least $500,000 per student.

Vlahos said that a similar tax that is imposed on private foundations is mainly a way to reward and punish, observing that tax policy, in general, tends to work this way. Foundations, he explained, tend not to be responsive to the public, since they often get most of their money from a single family or business. So the government needs “some way to modify their behavior, and we do it through these excise taxes, [such as] on investment income on noncharitable assets,” he said.

“Let’s [turn] to schools with large endowments,” he said. “[Members of Congress] equate the endowment with a private foundation. Basically, that is what Congress was thinking: We’ll punish them if they don’t pay out enough if they have so many endowment assets, we’ll hit them with a penalty.”

Adding further evidence to the idea is the fact that if universities spend more on education, then they can get their asset-per-student ratio down, thereby avoiding the tax, and “so use it for educational purposes.” But he pointed out that this provision brings up several questions: “What is the educational purpose? What is the use? What assets will constitute charitable assets?”

The TCJA also changed how nonprofits will handle unrelated business income, which is taxed. Under the new rules, losses from a trade or business must come from that particular trade or business in order to be deducted, and, similarly, while organizations can still carry forward, they must do that within the same trade or business in which they had that gain or loss.

Again, Vlahos pointed out that this is an example of treating nonprofits more like for-profits. In this particular case, he said, “It’s a bit of a reach, from a conceptual perspective, but that’s what’s happening.”

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What do you do to achieve a work-life balance that is a good fit for you?

ELAINE K. MOWBRAY | Controller | Manhattan
As a controller, you have so many demands, internally and externally. You have the employees, the customers, the vendors, the banks, the insurance companies and the tax accountant, just to name a few. I think in order to get a better work-life balance, it’s more about the attitude you have of not letting all your responsibilities totally consume you to the point where you don’t get to enjoy anything at all. So I make it a point to capture moments when I can. During the day, for instance, I’ll make it a point to take a break at lunch. I also think it’s important to make plans for the night so I have something to look forward to after work. For instance, I go to a lot of State Society events (the rooftop parties are particularly nice). Sometimes, I’ll join my son’s trivia team for a night or meet with my daughter, a broker, on the way home. Overall, you have to remember to make time for yourself because it really is one of the easiest things in the world to lose yourself in your work, whether you’re in public accounting or private industry.

IRA M. TALBI | Audit Partner | White Plains
One of the things I’ve done is take one day a week to work from home, as opposed to going into the office. It lets me take care of the things at home that I can’t get done at the office during the week, while allowing me to stay on top of work and not fall behind. I actually get more work done at home than in the office because there are fewer interruptions and people walking into my office! The problem, of course, is with cellphones and emails, since now you can be reached pretty much 24/7, and when you’re a partner at a firm like mine, people are always wanting to talk to you. I was on vacation recently, and the need to be in contact with projects going on can consume you. But still, I always tell everyone, “family first,” and I live by that myself. Once you get your family in order, everything else falls into place, and you can deal with work. But if the family side of things is not in order, then your work will suffer—you’re worried about what’s happening at home and not concentrating on what’s happening at work. This is why taking time for yourself, even if you’re on the phone a lot when you do it, is so important. You can’t be in a position where you’re so stressed out that you can’t get on with your life. That doesn’t work in any environment.

GEORGE I. VICTOR | Partner | Great River
I think an important part of work-life balance is focusing, not just on yourself, but on the needs of others around you, both in the workplace and at home. You need to realize you can’t do everything all at once, so you need to be able to scale back when appropriate and learn to say no from time to time. Yes, it’s important to meet the demands of the workplace, but if you try to do everything and please everyone, more often than not, you will not be able to meet all of those demands with any reasonable skill, or they may not all get done as planned. Overall, I tell younger professionals that they should have a workable plan to get what they need done in a way everyone can live with. Sometimes, this means letting your bosses know that you have too many projects on your plate, or simply asking for help. It also helps to have a hobby or something outside work that you really enjoy. Over the years, you learn to appreciate the wisdom of managing your time and working together with others. Not doing so seldom has positive results.

ROBERT S. FLIGEL | Firm Founder | Larchmont
As a solo business owner, work-life balance is a constant struggle for me—and I think for most people. While I would like to only concentrate on activities that advance my business transactional goals, the day-to-day blocking and tackling have to be attended to. Here are some of the things I do to try to keep as much balance as I can by organizing the day-to-day work activities:

1. Work with an assistant. Years ago, I decided to engage an assistant whom I could work with to handle a lot of the administrative, database, travel, marketing, website updating and other details that have to be completed. I currently work with a wonderful person who is actually based in the Midwest—a virtual assistant. Whether it’s travel plans, adding a new client or partner candidate to my database, inputting business cards to my Outlook contacts or scheduling meetings, it’s a godsend.

2. Awaken early. It must be part of my genetic makeup because I have been an early riser for years. That is very valuable quiet time for not concentrating on what’s happening at work. This is why taking time for yourself, even if you’re on the phone a lot when you do it, is so important. You can’t be in a position where you’re so stressed out that you can’t get on with your life. That doesn’t work in any environment.

3. Keep a list of “must do” daily activities. I do work off of an Outlook calendar but, in addition to that, I maintain a stratified list of other must do’s, such as executive search and M&A activities, marketing, projects in process and, yes, personal things like sports, social plans and financial matters.

4. Keep track of information from meetings. I have a lot of meetings with CPA firms and potential job candidates, and, as such, there are notes to be saved. The two things I have found to be most helpful are using a notebook to take notes during those meetings and, as soon as possible after the meetings, transcribing the notes into an email that my virtual assistant can edit and save in the database.

5. Use Outlook calendar appointment reminders and schedule meetings via Outlook. I use both of those tools regularly. I also use several conferencing tools.

What I would like to do better would be to turn off my smartphone earlier at night, to disconnect completely more often, to be more diligent about using “do-not-disturb” features, and to schedule more personal time.

STEVEN WOLPOW | Managing Partner | Melville
Time is our most precious commodity, and the only way to achieve a better work-life balance is to free up more of your time so that you can spend that extra time on the things you personally value. For me, that extra time means I have more time to spend with my wife, Sharon, and my family; play golf; travel around the world; and learn how to play a musical instrument.

We’ve invested heavily and built a terrific administrative support team within our firm. Many hours that I would ordinarily be burdened by handling matters such as tax administration, billing, payroll, human resources, our internal financials and the other time-draining aspects of the job have been pushed to this terrific team we built, freeing me up to consult, stay close to our clients and plan for the future of our firm. Another way we have freed up more valuable time is by investing heavily in state-of-the-art technology. Those technology investments pay off every day. We have less downtime and more immediate access to information.

In addition, other partners in our firm share in the responsibilities of running our practice and are not just “line” partners. For example, I used to deal directly with all aspects of our peer review and Public Company Accounting Oversight Board inspections. That was a real time-intensive thing for me to handle. Over the years, the responsibility for this has shifted to other partners in our firm.

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Adirondack Chapter hosts successful CPA-CA event with Canadian association

By BARBARA L. MONTOUR
Adirondack Chapter President

As we are in the midst of another tax season—and a long Adirondack winter, may I add—I hope you are able to take a break, even a small one, and recharge the brain.

The tax season was clearly a challenging one, as a result of the tax reform changes. The first change I recall was making sure my printer was working properly, as the 1040 tax forms were clearly different. Some changes were long needed, and some required more effort and were certainly taxing on the taxpayer.

The Financial Accounting Standards Board (FASB) also implemented major changes to the not-for-profit statements. The presentation is easier for the reader: It brings restricted spending and assets to the forefront. This should help the nonfinancial professional board member understand not-for-profit spending and cash flow. I’ve been on not-for-profit boards, or served them in a consulting capacity, where board members had difficulty understanding why the organizations were so cash strapped when they had large cash balances. A restricted column on the statements should clearly help with that understanding.

So far, 2019 has clearly been a year of many changes for our profession.

The Adirondack Chapter recently held its fourth successful biannual International CPA-CA gathering with our local Stormont, Dundas and Glengarry (SD&G) Chartered Accountants Association from Ontario, Canada. Our own Adirondack Chapter member Nathan Barkas presented “Tax Cuts and Jobs Act: Impact on Americans Abroad and Non-U.S. Residents,” and Tim Bloos from MNP LLP presented “Taxation of U.S. Businesses Operating in Canada.” The gathering was held at the Akwesasne Mohawk Casino Resort in Akwesasne (my hometown).

We concurred that January is most likely not the best time to host a conference in northern New York, so our next international conference will be in September 2020.

The Adirondack Chapter will be hosting our organizational meeting in late May to early June. Further details will be posted on the chapter’s webpage, at nysscpa.org/membership/chapters/adirondack. If you are interested in getting involved and not sure how, this meeting would be a great starting point. I look forward to seeing more people, even if you just want to come and listen in. Our terms of office are two years, and elections and new terms begin on even years. Current officers remain in place for another year. As always, we look forward to seeing our chapter members.

I have been a member of the NYSSCPA since 2003 and actively involved in both the Adirondack Chapter and the Society for the past 15 years. I grew from a young chapter representative to an NYSSCPA Board member and served two terms as chapter president; this voluntary service to our profession can be demanding at times, but overall it has been rewarding and, more importantly, a learning experience. I encourage everyone to get involved at some level, as our profession will only become more valuable with more of us working together.

moharukpca@icloud.com

An active fall and winter for Queens/Brooklyn Chapter, including Town Hall and holiday party

By MATTHEW G. GALLAGHER
Queens/Brooklyn Chapter President

The past few months have been active ones in the Queens/Brooklyn chapter. As we now have slowed a bit to finish out tax season, it’s great to look back and see what we’ve accomplished. On Nov. 8, we had our annual Ethics CPE course, taught by Debbie A. Cutler at St. John’s University. Debbie gave us a great presentation and went into detail regarding the recently enacted annual ethics CPE requirements, which we will all be subject to beginning in 2020, provided that the Board of Regents approves them this year.

On Nov. 29, we held our annual Town Hall and Professional Issues update at Palo Santo Restaurant in Park Slope, Brooklyn. Between great food and drinks, Society President Jan C. Herringer and President-elect Ita M. Rahilly gave a presentation on the status of our profession, on the national and state levels. They also discussed some items on the state legislative agenda and other items that may come up in 2019. It was great having both of them join us and get to interact with our membership.

We held our holiday party on Dec. 13 at Bowlero, a bowling alley in Woodside, Queens. Fortunately, we had a great turnout from associate members who are new to our chapter and want to get more involved. The evening mixed social activities with professional networking and was a new venture for our chapter that worked out very well.

The chapter’s fall/winter events concluded on Jan. 22 at St. John’s University; the board held its final meeting before tax season and discussed the future of our chapter going forward into the 2019–2020 fiscal year. The meeting was followed by a 3-credit tax update CPE taught by Doreen M. Inserra from the Staten Island Chapter. Doreen outlined in detail the changes for this year as a result of the Tax Cuts and Jobs Act and what we as preparers can expect in dealings with our clients and with governmental agencies.

Our chapter is ever growing, and we are always looking for members to get more involved. Please contact me with any questions or any willingness to serve. I hope that everyone is having a good tax season and will soon see the light at the end of the tunnel.

gallaghm@stjohns.edu
Tax season is now upon us, and we will soon be working hard as we explain the new tax laws and their ramifications to our respective clients. Fortunately, many of our tax programs now come equipped with a sub-program, which calculates the overall effect of the Tax Cuts and Jobs Act, versus the prior tax law, on a client-by-client basis.

As we make our way through this busy season in which many of us work seven days a week, we should still try to take care of ourselves, so we don’t become too run down and susceptible to colds, etc. So trying to get at least six hours of sleep per night and eating healthy would certainly be a good start, especially for those of us who have already curtailed the exercise program we started on Jan. 2.

The Westchester Chapter has accomplished well over half its programming for the fiscal year, and the months of February and March tend to be a bit quiet. On Jan. 23, we had a very successful Managing Partners Breakfast, at which approximately 75 percent of the chapter’s board, along with 10 of the county’s most prestigious CPA firms, shared ideas, viewpoints and suggestions with our two very distinguished guests: NYSSCPA President Jan C. Herringer and President-elect Ita M. Rahilly. It concluded with a terrific suggestion that each firm designate an individual to be the liaison to the board for event participation and other matters. We are currently following up on that suggestion.

Upcoming programming of the Westchester Chapter will include the Accountants in Industry Committee’s morning session on professional employment organizations (PEOs) along with an Affordable Care Act (ACA) update, on Wednesday, March 20, 7:45 a.m., at the office of Skadden Arps at 360 Hamilton Ave., in White Plains. The chapter is once again providing its Tax Hotline on Saturday, March 2, at the office of The Journal News, 1133 Westchester Ave., in White Plains, with Robert M. Winton and various volunteers. If interested in volunteering to answer phone-in and web chat questions, please contact Robert at rwinton@citrincooperman.com, as we are a bit short on volunteers.

I wish everyone a healthy and prosperous busy season.

michaelbherz@gmail.com
MANHATTAN/BRONX

ACCOUNTING

3/21 Practical Approaches to Implementing the New Lease Accounting Standard
AC/2, AU/2  34189191, 35189191 (W)
14 Wall Street
Business Learning Institute
$169/$269

3/21 Revenue Recognition: Practical Approaches to Implementation
AC/2, AU/2  34189391, 35189391 (W)
14 Wall Street
Business Learning Institute
$169/$269

3/22 Accounting Six Pack: Hot Topics in Financial Reporting
AC/4, AU/4  34169911, 35169911 (W)
14 Wall Street
Business Learning Institute
$279/$379

4/25 K2's Advanced Excel Seminar
AC/4, AD/4  34172911, 35172911 (W)
14 Wall Street
K2 Enterprises
$279/$379

5/2 FAE's Know All of Your Alternative Financial Reporting Options
AC/4  21186911, 35186911 (W)
14 Wall Street
Foundation for Accounting Education
$279/$379

5/9 FAE's Nonprofit Workshop with Allen Fetterman
AC/5, AU/2, T/1  21173911, 35173911 (W)
14 Wall Street
Surgeon McCoy CPE, LLC
$279/$379

5/14 Emerging Trends Conference
AC/2, AD/3, SK/3  25200911, 35200911 (W)
14 Wall Street
Foundation for Accounting Education
$149/$249

5/21 Forensic Accounting and Litigation Services Conference
AC/8  25179911, 35179911 (W)
14 Wall Street
Surgeon McCoy CPE, LLC
$335/$435

5/23 SSARS 21 and Nonattest Services: Are You Certain You Are in Compliance?
AC/5, AU/2  33179911, 35179911 (W)
14 Wall Street
Surgeon McCoy CPE, LLC
$279/$379

5/28 Integrating Audit Data Analytics into the Audit Process
AC/8  32178811, 35178811 (W)
14 Wall Street
AICPA
$279/$379/$249/$349

5/30 Race Toward Implementation: Tackling the Tough Issues in Adopting the New Revenue Recognition Standard
AC/8  33179911, 35179911 (W)
14 Wall Street
Surgeon McCoy CPE, LLC
$279/$379

5/31 Accounting, Audit, and Attent Update for Practitioners with Small-Business Clients
AC/3, AU/3  33186911, 35186911 (W)
14 Wall Street
Surgeon McCoy CPE, LLC
$279/$379

6/6 Employee Benefits Conference
AC/4, AU/4  25621011, 35621011 (W)
To be announced
Foundation for Accounting Education
$385/$485

ADVISORY SERVICES

4/17 The Eight-Hour MBA: Key Concepts of Adding Value
AC/8  34206911, 35206911 (W)
14 Wall Street
Business Learning Institute
$279/$379

4/18 Critical Thinking for Finance
AD/8  34171911, 35171911 (W)
14 Wall Street
Business Learning Institute
$279/$379

4/25 K2's Advanced Excel
See course listing under Accounting.

4/26 K2's Business Intelligence, Featuring Microsoft Power BI Tools
AD/8  34209911, 35209911 (W)
14 Wall Street
K2 Enterprises
$279/$379

5/3 NextGen: The Conference for Young CPAs
AD/8  25000911
Midtown Loft & Terrace
Foundation for Accounting Education
$199/$299

5/14 Emerging Trends Conference
See course listing under Accounting.

5/20 Business Valuation Conference
AD/8  25278911, 35278911 (W)
14 Wall Street
Foundation for Accounting Education
$335/$435

5/29 Cybersecurity Risk Management Program Essentials
AD/8  32210911, 35210911 (W)
14 Wall Street
AICPA
$279/$379/$249/$349

AUDITING

3/21 Practical Approaches to Implementing the New Lease Accounting Standard
See course listing under Accounting.

3/21 Revenue Recognition: Practical Approaches to Implementation
See course listing under Accounting.

5/14 Accounting, Audit, and Attest Update for Practitioners with Small-Business Clients
See course listing under Accounting.

5/2 Accounting Six Pack: Hot Topics in Financial Reporting
See course listing under Accounting.

5/2 EAE Enhancing Audit Quality Workshop
AD/4  21181913, 35181913 (W)
14 Wall Street
Foundation for Accounting Education
$169/$269

5/9 FAE's Nonprofit Workshop with Allen Fetterman
See course listing under Accounting.

5/15 Studies on Single Audit and Yellow Book Deficiencies
AU/8  32174911, 35174911 (W)
14 Wall Street
AICPA
$279/$379/$249/$349

5/16 Yellow Book: Government Auditing Standards
AU/8  32175912, 35175912 (W)
14 Wall Street
AICPA
$279/$379/$249/$349

5/17 Annual Update and Practice Issues for Preparation, Compilation, and Review Engagements
AU/8  32184911, 35184911 (W)
14 Wall Street
AICPA
$279/$379/$249/$349

FOR MARCH 1, 2019, THROUGH JUNE 30, 2019

ACCOUNTING

MANHATTAN/BRONX

5/15 Critical Thinking for Finance
AD/8  34171911, 35171911 (W)
14 Wall Street
Business Learning Institute
$279/$379

5/26 K2's Business Intelligence, Featuring Microsoft Power BI Tools
AD/8  34209911, 35209911 (W)
14 Wall Street
K2 Enterprises
$279/$379

5/22 Advanced Audits of 401(k) Plans: Best Practices and Current Developments
AU/8  33178911, 35178911 (W)
14 Wall Street
Surgeon McCoy CPE, LLC
$279/$379

5/23 SSARS 21 and Nonattest Services: Are You Certain You Are in Compliance?
See course listing under Accounting.

5/28 Integrating Audit Analytics into the Audit Process
AD/8  32178911, 35178911 (W)
14 Wall Street
AICPA
$279/$379/$249/$349

5/31 Accounting, Audit, and Attest Update for Practitioners with Small-Business Clients
See course listing under Accounting.

6/5 Employee Benefits Workshop
AU/8  25621012, 35621012 (W)
Site to be announced
Foundation for Accounting Education
$279/$379

6/6 Employee Benefits Conference
See course listing under Accounting.

SPECIALIZED KNOWLEDGE

5/8 Broker/Dealer Conference
SK/8  25588911, 35588911 (W)
Baruch College
Foundation for Accounting Education
$385/$485

5/14 Emerging Trends Conference
See course listing under Accounting.

TAXATION

5/23 Estate Planning Conference
T/8  2558911, 3558911 (W)
CIB Executive Conference Center
Foundation for Accounting Education
$385/$485

SYRACUSE

TAXATION

T/8  34659651
Crawford Plaza Syracuse
Werner Rocca Seminars
$279/$379

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Do You Have Any of These Issues? Can Help!

**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 of appeal: Assessment lowered significantly. **Savings in excess of $300,000.**

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

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

Call Bob Arnold, Jr.
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www.arnoldstandard.com