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## CPA Evolution aims for radical rethinking of profession

By RUTH SINGLETON  
*Trusted Professional Staff*

In response to the rapidly changing skills and competencies that the practice of accounting requires, the American Institute of CPAs (AICPA) and the National Association of State Boards of Accountancy (NASBA) have been collaborating on an initiative called CPA Evolution, which seeks to transform the CPA licensure model. The project aims for a radical rethinking of what it is to be a CPA. The NYSSCPA is an active participant in the initiative through its representatives on the AICPA Council, the governing body of the AICPA comprising 265 members, and representatives from every state and U.S. territory.

“This project is vital to preparing the profession for the future,” said NYSSCPA Executive Director and CEO Joanne S. Barry. “As complexity in the marketplace has increased, the body of knowledge required has expanded.” She sees the CPA Evolution project as crucial, in light of the rapidly changing environment that CPAs operate in today.

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At the Women's Leadership Forum on Jan. 29, panelists (l-r) Lisa Osofsky, Paulina Rodriguez and Chester H. Brearey discuss CPA career options outside the traditional path.

Photo: Hannah Stampleman

## Panelists at leadership forum explore range of CPA career paths

By CHRIS GAETANO  
*Trusted Professional Staff*

With the rapidly changing nature of the profession, those with a CPA license have more options than ever in forging career paths outside the traditional firm life in tax or audit. A panel of speakers at the Foundation for Accounting Education's Women's Leadership Forum on Jan. 29, moderated by **Tameka Walters**, a Citrin Cooperman tax supervisor, offered a few examples drawn from their own lives.

Chester H. Brearey, an accounting professor at Siena College, began his career in a more traditional way, having become an auditor at a public accounting firm after col-

lege. He was less interested, however, in the normal debits and credits and was more into what would eventually become known as data analytics, which is dominating the field today.

“It taught me how to think critically, and how to analyze and apply analytics. ... It showed me how to communicate and deal with people with an awareness of biases—obvious biases,” but also some that are less so, he said.

This analytics skill set then allowed him to move on to other careers. After public accounting, Brearey went on to head a private equity company, where he stayed for many years. After that, he said, he decided that he wanted to go back to school and get his doctorate so he could teach, saying that he'd read an article about how there's a great need for

accounting Ph.D.s, but that there aren't very many of them. His teaching career since, he said, has been very fulfilling.

“I like working with people, especially younger people, because they're curious and always exploring and always want to try new things, so I really do have the best of both worlds,” he said.

While Brearey worked in public accounting before diverging from the traditional career path, Special Agent Paulina Rodriguez of the IRS Criminal Investigation (CI) Division, has always been a CPA working in law enforcement. While she initially planned to go into public accounting as her older cousin did, a conversation with an IRS-CI recruiter at a

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## Grow Your Chapter This Spring

Refer New Members and Win

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Ita M. Rahilly

# Focusing on leadership as we look to the future

Because the future of the NYSSCPA depends upon strong and creative leadership going forward, I have devoted a good portion of my presidency to providing opportunities for young people in the profession and fostering their leadership skills.

On Jan. 29, I was pleased to attend and offer the opening and closing remarks for our second annual Women's Leadership Forum. This event was remarkable in the wide range of stories and perspectives it presented—from an interactive presentation on differing leadership styles to a lively discussion of what it means to know one's value and get paid accordingly. The Society's Diversity and Inclusion Committee, chaired by **Tanya K. Bramble**, who also offered closing remarks at the forum, worked tirelessly, along with Society staff members, in organizing this extraordinary event. I was particularly impressed by two members of the committee who moderated panels. **Tameka Walters** moderated a fascinating panel on alternative paths to success, featuring three CPAs with quite diverse careers: Dr. Chester H. Brearey, an associate professor of accounting at Siena College; Lisa Osofsky, a partner and Private Client Services Practice leader at Mazars USA; and Paulina Rodriguez, special agent at the IRS. **Rumbi Bwerinofa-Petrozzello**, a Society director-at-large, moderated a thought-provoking panel on minority- and woman-owned business enterprises.

I was pleased to see several men in attendance, and I hope there will be more next year. As I observed in my remarks, we all have to work together to create equal opportunity, no matter our gender, race, sexual orientation or disability. That sometimes means facing up to the biases that we may bring to the workplace. I was also pleased to see professionals at different stages of their career paths. While young professionals will benefit from learning about tools and alliances that can pave the

way for successful careers, more seasoned individuals can always learn more about becoming inclusive leaders.

But the forum was only the beginning of our leadership efforts and opportunities in 2020. The Society has several initiatives under way, aimed at finding and supporting our future leaders.

I am very excited about our first-ever Forty Under 40 Award, which will honor young members of the Society who are making a difference in the profession. We are looking for candidates who hold leadership roles, who made significant career achievements last year, and who have had substantial involvement in community service. Nominees must be college graduates between the ages of 21 and 40 as of Dec. 1, 2019. If you know somebody from your firm, chapter or committee who is deserving of this award, I urge you to complete the nomination form, which is available at [nysscpa.org/40under40](http://nysscpa.org/40under40), by March 31. You can find more information about the award on that page. Award winners will be honored at the NextGen Conference in Rochester on July 29.

In addition, we are looking for a new class of participants in our NYSSCPA Leadership Institute, an initiative that began last year to engage and provide opportunity to Society members in the early stages of their career. Our goal is to enable participants to increase their effectiveness in the workplace; gain insights for strategic career planning; and transition to leaders within the Society, the profession and their respective communities. Those selected will attend the 2020 Leadership Institute meeting held in conjunction with the Leadership Conference on July 18–21 in Buffalo, as well as four virtual meetings throughout the year. (All rooms, tax and travel will be covered or reimbursed.) Nominees must be between the ages of 21 and 40 as of Feb. 3. If you are interested in becoming a participant, or if you want to nominate someone who qualifies,

I urge you to complete the nomination form, which may be found at [nysscpa.org/leaders](http://nysscpa.org/leaders), by April 30.

We will also be holding our inaugural NYSSCPA Student Symposium on March 27 in Syracuse. This event will provide students and CPA candidates with the opportunity to explore promising jobs in the accounting profession and hear what's in store for the future. Attendees will be able to make direct contact with New York's top accounting hiring managers. They can also learn about internships and receive help in finding full-time employment. Highlights will include a free practice CPA exam and participation in mock interviews. The symposium is free for NYSSCPA members. I encourage students and CPA candidates in the Syracuse vicinity to take advantage of this fantastic benefit by registering at [nysscpa.org/jobfair](http://nysscpa.org/jobfair).

I am also pleased to announce that student membership in the Society is now *free!* Please spread the word about this wonderful opportunity to any accounting students you may know.

Looking ahead to the summer, on July 29, we will hold our NextGen Conference in Rochester, as I briefly mentioned earlier. This event is targeted at young CPAs and financial professionals looking to manage the early stages of their professional careers, in order to position themselves for consistent success and upward mobility in the profession. Information about speakers and topics will be posted shortly at [nysscpa.org/nextgen2020](http://nysscpa.org/nextgen2020). I encourage young professionals, no matter where you are in the state, to make plans to attend.

Through these initiatives, I look forward to getting to know more of our up-and-coming members. The engaged young CPAs of today may well become the Society leaders of the future.

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



# NYSSCPA 2020 NOMINATING COMMITTEE REPORT

**JANUARY 9, 2020**

**OFFICERS: to hold office for one year, from June 1, 2020:**

**PRESIDENT**

**EDWARD L. ARCARA**, *Edward L. Arcara, CPA PC*, automatically succeeds **ITA M. RAHILLY**, *RBT CPA, LLP*, as President, in accordance with Article VIII, Paragraph 5 of the Bylaws.

**PRESIDENT-ELECT**

**RUMBI BWERINOFA-PETROZZELLO**  
*Rock Forensics, LLC*

**to succeed**

**EDWARD L. ARCARA**  
*Edward L. Arcara, CPA PC*

**VICE PRESIDENTS**

**WILLIAM H. DRESNACK**  
*Rochester Institute of Technology*

**to succeed**

**BARBARA E. BEL**  
*PKF O'Connor Davies, LLP*

**LYNNE M. FUENTES**  
*Fuentes & Angel, CPAs, LLC*

**to succeed**

**JOSEPH A. MAFFIA**  
*Janover LLC*

**TIMOTHY J. HAMMOND**  
*The Bonadio Group*

**to succeed**

**RENEE RAMPULLA**  
*Rampulla Advisory Services, LLC*

**ROBERT M. ROLLMANN**  
*PKF O'Connor Davies, LLP*

**to succeed**

**DENISE M. STEFANO**  
*Mercy College*

**SECRETARY/TREASURER**

**THOMAS S. PIRRO**  
*Thomas S. Pirro, CPA, PC*

**to succeed**

**KEVIN MATZ**  
*Stroock & Stroock & Lavan LLP*

**DIRECTORS-AT-LARGE: to hold office for three years, from June 1, 2020:**

**CHRISTOPHER G. CAHILL**  
*Deloitte & Touche LLP*

**to succeed**

**ANTHONY S. CHAN**  
*CA Global Consulting Inc.*

**ORUMÉ A. HAYS**  
*Hays CPA*

**to succeed**

**MARK L. FARBER**  
*Mark L. Farber CPA PC*

**EDWARD N. LEE**  
*KPMG LLP*

**to succeed**

**KIMBERLY G. JOHNSON**  
*KPMG LLP*

**PHILIP J. LONDON**  
*Wiss & Company, LLP*

**to succeed**

**MARK M. ULRICH**  
*Queensborough Community College (CUNY)*

**DENISE M. STEFANO**  
*Mercy College*

**to succeed**

**CANDICE R. METH**  
*EisnerAmper, LLP*

**DIRECTOR-AT-LARGE: to hold office for one year, from June 1, 2020 (if Rumbi Bwerinofa-Petrozzello is elected to the position of President-elect):**

**KEVIN MATZ**  
*Stroock & Stroock & Lavan LLP*

**to succeed**

**RUMBI BWERINFA-PETROZZELLO**  
*Rock Forensics, LLC*

**DIRECTORS AS CHAPTER REPRESENTATIVES: to hold office for three years, from June 1, 2020:**

**ADIRONDACK**

**JOHN B. HUTTLINGER, JR.**  
*Adirondack Audit Company, Inc.*

**to succeed**

**DOUGLAS L. HOFFMAN**  
*The Hoffman Eells Group CPAs, P.C.*

**NASSAU**

**ALEXANDER RESNICK**  
*Wild, Maney & Resnick, LLP*

**to succeed**

**LYNNE M. FUENTES**  
*Fuentes & Angel, CPAs, LLC*

**ROCHESTER**

**JOHN A. MOURER**  
*John A. Mourer, CPA, CGMA*

**to succeed**

**WILLIAM H. DRESNACK**  
*Rochester Institute of Technology*

**STATEN ISLAND**

**SHARON SICA-COSTANZO**  
*SSC Accounting & Tax*

**to succeed**

**DENNIS N. ANNARUMMA**  
*Ernst & Young LLP*

**SUFFOLK**

**WILLIAM C. HUETHER**  
*Sheehan & Company, CPAs, P.C.*

**to succeed**

**THOMAS S. PIRRO**  
*Thomas S. Pirro, CPA, PC*

**DIRECTOR AS CHAPTER REPRESENTATIVE: to hold office for one year, from June 1, 2020 (if Timothy J. Hammond is elected to the position of Vice President):**

**SYRACUSE**

**CRAIG A. ZELLAR**  
*Firley, Moran, Freer & Eassa, CPA, P.C.*

**to succeed**

**TIMOTHY J. HAMMOND**  
*The Bonadio Group*

**ALL OF THE NOMINEES HAVE CONSENTED TO SERVE IF ELECTED.**

Ita M. Rahilly automatically becomes Director for one year as Immediate Past President, in accordance with Article VI, Paragraph 1 of the Bylaws.

**DIRECTORS (provided the above nominees are duly elected):**

**TERMS EXPIRING IN 2021:**

**DARCY ALDOUS**, *Darcy Aldous, CPA PC*

**CARNET A. BROWN**, *NYU Langone Health System*

**CATHERINE M. CENSULLO**, *Catherine M. Censullo, CPA/CMC Wealth Management*

**WILLIAM H. DRESNACK**, *Rochester Institute of Technology*

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**ITA M. RAHILLY**, *RBT CPAs, LLP*

**ROBERT M. ROLLMANN**, *PKF O'Connor Davies, LLP*

**DAVID G. YOUNG**, *Young & Company CPAs, LLP*

**CRAIG A. ZELLAR**, *Firley, Moran, Freer & Eassa, CPA, P.C.*

**TERMS EXPIRING IN 2022:**

**EDWARD L. ARCARA**, *Edward L. Arcara, CPA PC*

**KELLY R. CAPRON**, *PricewaterhouseCoopers LLP*

**ELLIOT L. HENDLER**, *Retired*

**MITCHELL J. MERTZ**, *Wei Wei & Co., LLP*

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**CHARLES J. WEINTRAUB**, *Maltese and Weintraub CPAs PLLC*

**TERMS EXPIRING IN 2023:**

**RUMBI BWERINOFA-PETROZZELLO**, *Rock Forensics, LLC*

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**DENISE M. STEFANO**, *Mercy College*

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*2020 Nominating Committee*

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**LEONARDO SABINO**

**MICHAEL M. TODRES**

## 2020-2021 NOMINEES

### OFFICERS: To hold office for one year, from June 1, 2020



#### PRESIDENT-ELECT

**RUMBI BWERINOFA-PETROZZELLO**, Principal, Rock Forensics, LLC, Arverne, N.Y. Member of the Society since 2012; member of the Queens/Brooklyn Chapter. STATEWIDE: Current Director-at-Large on the Board of Directors. Current member of the Diversity and Inclusion, CPA Careers and Litigation Services committees. Past Chair of the Diversity and Inclusion Committee. Past member of the Selections Subcommittee. Past member of the CPA Careers and Litigation Services committees. Past member of the CPA Exam Task Force. CHAPTER:

Current member of the Queens/Brooklyn Chapter Executive Board. Past President of the Queens/Brooklyn Chapter Executive Board. Current Chair of the Queens/Brooklyn Social Media Committee. Past member of the Queens/Brooklyn Social Media Committee. Past member of the COAP St. John's Advisory Board.



#### VICE PRESIDENT

**WILLIAM H. DRESNACK**, Chair, Department of Finance and Accounting, Rochester Institute of Technology, Rochester, N.Y. Member of the Society since 1987; member of the Rochester Chapter. STATEWIDE: Current Director as Chapter Representative on the Board of Directors. Current member of the Executive Committee. Past Director as Chapter Representative on the Board of Directors. Current member of the CPA Careers Committee. Past member of the FAE Campus Ambassador, Financial Accounting Standards, Members in the Field of Education and Nominating committees. CHAPTER: Past Rochester Chapter President and Vice President. Past Chair of the Rochester Chapter World of Accounting Committee. Past member of the Rochester Chapter Cooperation with Educational Institutions Committee. Past Chair of the COAP Brockport Advisory Board. Past member of the COAP Rochester Advisory Board.



#### VICE PRESIDENT

**LYNNE M. FUENTES**, Managing Partner, Fuentes & Angel, CPAs, LLC, Nassau, N.Y. Member of the Society since 2004; member of the Nassau Chapter. STATEWIDE: Current Director as Chapter Representative on the Board of Directors. Past Director as Chapter Representative on the Board of Directors. Current member of the Audit Committee. Past member of the Selections Subcommittee. Past member of the Audit Committee. CHAPTER: Past Nassau Chapter President, Vice President, Secretary and Treasurer. Past President and member of the Nassau Chapter

Executive Board. Current Co-Chair of the Nassau Chapter Newsletter Committee. Past Chair of the Nassau Chapter Newsletter Committee. Current Co-Chair of the Nassau Chapter Sponsorship Committee. Past Co-Chair of the Nassau Chapter Estate and Personal Financial Planning Committee.



#### VICE PRESIDENT

**TIMOTHY J. HAMMOND**, Principal, The Bonadio Group, Syracuse, N.Y. Member of the Society since 2010; member of the Syracuse Chapter. STATEWIDE: Current Director as Chapter Representative on the Board of Directors. Past member of the Executive Committee. Current member of the Governance Subcommittee. Current member of the Exempt Organizations and Not-for-Profit Organizations committees. CHAPTER: Past Syracuse Chapter President, Vice President, Secretary and Treasurer. Past Chair and Co-Chair of the Syracuse Chapter Public Relations and NextGen committees. Past member of the Syracuse Chapter NextGen Committee.



#### VICE PRESIDENT

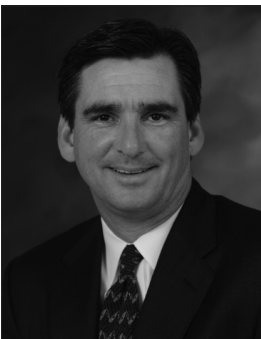
**ROBERT M. ROLLMANN**, Partner, PKF O'Connor Davies, LLP, Westchester, N.Y. Member of the Society since 1983; member of the Westchester Chapter. STATEWIDE: Past Director-at-Large on the Board of Directors. Current member of the Accounting and Auditing Oversight, Financial Accounting Standards, and International Accounting and Auditing committees. Past Chair and Vice Chair of the Accounting and Auditing Oversight and Financial Accounting Standards committees.



#### SECRETARY/TREASURER

**THOMAS S. PIRRO**, Sole Practitioner, Thomas S. Pirro, CPA PC, Suffolk, N.Y. Member of the Society since 1988; member of the Suffolk Chapter. STATEWIDE: Current Director as Chapter Representative on the Board of Directors. Current member of the Executive Committee. Past Director as Chapter Representative on the Board of Directors. Past member of the Executive Committee. Current Trustee of CPA PAC. CHAPTER: Current Suffolk Chapter Executive Board member. Past Suffolk Chapter Executive Board member. Current Chair of the Suffolk Chapter Sponsorship Committee.

### DIRECTORS-AT-LARGE: To hold office for three years, from June 1, 2020



**CHRISTOPHER G. CAHILL**, Partner, Deloitte & Touche, LLP, New York, N.Y. Member of the Society since 1991; member of the Manhattan/Bronx Chapter. STATEWIDE: Past Vice President and Director-at-Large on the Board of Directors. Past member of the Executive, Audit, Nominating and SEC committees. Current member of the Banking Committee.



**EDWARD N. LEE**, Partner, KPMG LLP, Melville, N.Y. Member of the Society since 1998; member of the Suffolk Chapter. STATEWIDE: Current member of the Government Accounting and Auditing and Not-for-Profit Organizations committees. Past member of the Health Care and Nominating committees. CHAPTER: Current member of the Suffolk Chapter Not-for-Profit and Governmental Committee.



**ORUMÉ A. HAYS**, Founder and Managing Director, Hays CPA, New York, N.Y. Member of the Society since 2007; member of the Manhattan/Bronx Chapter. STATEWIDE: Current Chair of the Small Firms Practice Management Committee. Current member of the Diversity and Inclusion, Finance, Financial Accounting Standards, Not-for-Profit Organizations and Personal Financial Planning committees. Current Chair of the Strategic Planning Task Force. Past Vice Chair of the Small Firms Practice Management Committee. Past member of the Small Firms Practice Management and Taxation of Individuals committees. CHAPTER: Current Staten Island Chapter Executive Board member. Current member of the Staten Island Chapter Hall of Fame Committee.



**PHILIP J. LONDON**, Partner Emeritus, Wiss & Company, LLP, New York, N.Y. Member of the Society since 2002; member of the Manhattan/Bronx Chapter. STATEWIDE: Current Chair of the Tax Division Oversight Committee. Current member of the New York, Multistate and Local Taxation Committee. Current member of the Legislative Task Force. Past member of the Taxation of Mergers and Acquisitions Committee.



## 2020-2021 NOMINEES

**DIRECTORS-AT-LARGE: To hold office for three years, from June 1, 2020, continued**

**DENISE M. STEFANO**, Accounting Department Chairperson and Associate Professor, Mercy College, Dobbs Ferry, N.Y. Member of the Society since 1998; member of the Westchester Chapter. STATEWIDE: Current Vice President on the Board of Directors. Current Vice President of the Executive Committee. Past Director as Chapter Representative on the Board of Directors. Current member of the FAE Board of Trustees. Past Secretary of the FAE Board of Trustees. Past member of CPA PAC. Current member of the CPA Careers, FAE Curriculum and Future of Accounting Education committees. Past Chair of the CPA Careers Committee. Past member of the Audit, Membership, Nominating, Quality Enhancement Policy and

SEC committees. Past member of the Governance Subcommittee. Past member of the COAP Statewide Advisory Board. CHAPTER: Past Westchester Chapter President, President-elect, Vice President, Treasurer and Secretary. Past President of the Westchester Chapter Executive Board. Past member of the Westchester Chapter Executive Board. Past Chair and Co-Chair of the Westchester Chapter Accounting Careers & Education, Accounting Principles & Audit, Scholarship and High School Recruitment committees. Past Chair and Co-Chair of the Westchester Chapter Annual Recruitment Event. Past Vice Chair of the Westchester Chapter Government Relations Committee. Past Chair of the Westchester Chapter Membership Committee. Current member of the Westchester Chapter Accountants in Industry and Accounting Principles & Audit committees. Current member of the COAP Westchester Advisory Board.

**DIRECTOR-AT-LARGE: To hold office for one year, from June 1, 2020 (if Rumbi Bwerinofa-Petrozzello is elected to the position of President-elect)**

**KEVIN MATZ**, Partner, Stroock & Stroock & Lavan LLP, New York, N.Y. Member of the Society since 1993; member of the Manhattan/Bronx Chapter. STATEWIDE: Current Secretary/Treasurer on the Board of Directors. Past Director-at-Large on the Board of Directors. Current member of the Executive Committee. Current Treasurer of the FAE Board of Trustees. Past President and President-elect of the FAE Board of Trustees. Current Chair of the FAE Curriculum Committee. Current Treasurer of the Moynihan Scholarship Fund Board of Trustees. Past Chair and Vice Chair of

the Entertainment, Arts and Sports, and Estate Planning committees. Current member of the Entertainment, Arts and Sports, Family Office, Finance, International Taxation, Private Equity and Venture Capital, and Trust and Estate Administration committees. Past member of the Estate Planning, FAE Governance, FAE Performance, Industry Oversight, Nominating and Tax Division Oversight committees. Past member of the Rapid Response Subcommittee (TDOC). Past member of the Chapter and Legislative task forces.

**DIRECTORS AS CHAPTER REPRESENTATIVES: To hold office for three years, from June 1, 2020****ADIRONDACK**

**JOHN B. HUTTLINGER, JR.**, President, Adirondack Audit Company, Inc., Saranac Lake, N.Y. Member of the Society since 1992; member of the Adirondack Chapter. STATEWIDE: Past Director as Chapter Representative and Vice President on the Board of Directors. Past member of the Executive Committee. Current member of the Small Firms Practice Management Committee. Past member of the CPA Careers, Local Practitioners and Small Firms, and Nominating committees. Past member of the Strategy Task Force. CHAPTER: Current

Adirondack Chapter Vice President. Past Adirondack Chapter Executive Board member. Past member of the Adirondack Chapter Steering Committee

**STATEN ISLAND**

**SHARON SICA-COSTANZO**, Owner, SSC Accounting & Tax, New York, N.Y. Member of the Society since 2009; member of the Staten Island Chapter. STATEWIDE: Past member of the FAE Scholarship Awards Committee. CHAPTER: Past Staten Island Chapter President, President-elect and Secretary. Past Staten Island Chapter Executive Board member. Current Chair of the Staten Island Chapter Scholarship Committee. Past member of the Staten Island Chapter Education Committee. Past member of the COAP Staten Island Advisory Board.

**NASSAU**

**ALEXANDER RESNICK**, Partner, Wild, Maney & Resnick, LLP, Woodbury, N.Y. Member of the Society since 1996; member of the Nassau Chapter. CHAPTER: Immediate Past President on the Nassau Chapter Executive Board. Past Nassau Chapter President, President-elect, Treasurer and Secretary. Past Nassau Chapter Executive Board member. Co-Chair of the Nassau Chapter Small Practice Unit Map Committee.

**SUFFOLK**

**WILLIAM C. HUETHER**, Manager, Sheehan & Company, CPA, P.C., Brightwaters, N.Y. Member of the Society since 2010; member of the Suffolk Chapter. STATEWIDE: Current member of the Cannabis Industry, International Accounting and Auditing, and NextGen committees. Current member of the CPA Evolution Task Force. CHAPTER: Current Suffolk Chapter Vice President. Past Suffolk Chapter Treasurer. Past Suffolk Chapter Executive Board member. Past Co-Chair and member of the Suffolk Chapter NextGen Committee.

**ROCHESTER**

**JOHN A. MOURER**, Owner, John A. Mourer, CPA, CGMA, Rochester, N.Y. Member of the Society since 2005; member of the Rochester Chapter. CHAPTER: Current Rochester Chapter President. Past Rochester Chapter President-elect and Vice President. Past Vice Chair of the Rochester Chapter Industry Committee.

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**CRAIG A. ZELLAR**, Audit Principal, Firley, Moran, Freer & Eassa, CPA, P.C., Syracuse, N.Y. Member of the Society since 1998; member of the Syracuse Chapter. CHAPTER: Current Syracuse Chapter Executive Board member. Past member of the Syracuse Chapter Public Relations Committee.

# CPA Evolution

Continued from page 1

Several factors have led to the need for the CPA Evolution initiative, which envisions broad systemic changes to the CPA profession. One is the enormous impact of technology—including artificial intelligence, data analytics and blockchain—on the profession. Many traditional roles for CPAs have become automated. Another is a shift in hiring practices. According to the *2019 AICPA Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits* report, in 2018, there were 29 percent fewer accounting graduate hires by accounting firms than in 2014. Meanwhile, hires of nonaccounting graduates, as a percentage of all graduate hires, rose from 22 percent in 2014 to 31 percent in 2018. Many of these nonaccounting graduates are proficient in technology. Yet another factor is a change in the knowledge base and skills that CPAs will need to develop. Some relatively recent areas include continuous reporting, digital assets, sustainability and cybersecurity.

Barry observed that the audit function, in particular, will need to change its focus. “Investors and other interested parties want to know less about what happened last year, and more about what’s happening at this moment in time,” she said. She added that there is much room for broader attestation of other systems.

In a recent speech at the Accountants Club of America, AICPA President and CEO **Barry C. Melancon** made a similar point. He observed that on many audit teams today, CPAs are in the minority, and he warned that if the profession doesn’t change the definition of CPA to include a technological component, the numbers will continue to go down. Melancon said that auditors of the future will have to adapt to the prevalence of technology in audits by auditing entire systems rather than just numbers. “We have to think about a new system of information—the notion of attestation not just of numbers, but of whole systems, including human capital and the environment,” he said. (See story, page 9.) Barry, likewise, said that the profession must move into the sustainability area and other areas that are not directly financial.

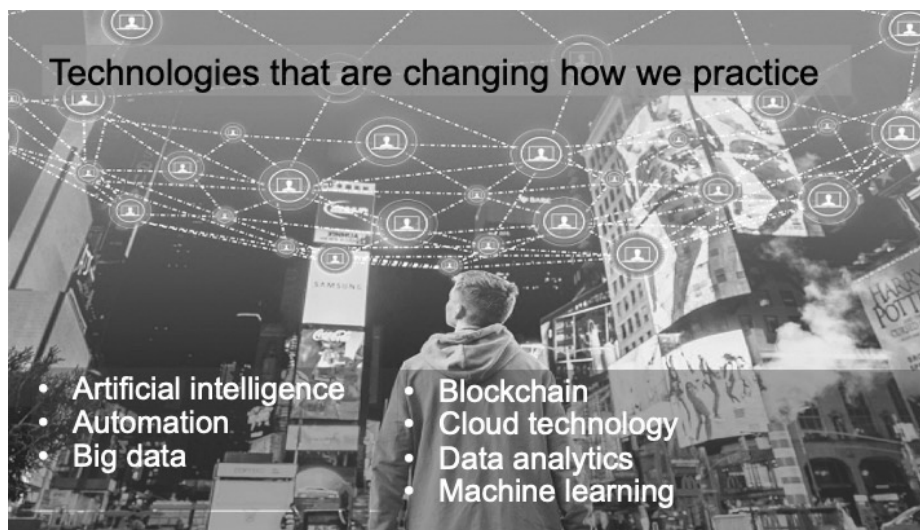
The CPA Evolution initiative began in 2018, when the AICPA and NASBA circulated and discussed a conceptual licensing model. In February of last year, they drafted five guiding principles, and last spring and summer, they circulated those principles and sought feedback from state societies and other stakeholders.

The five principles of the CPA Evolution initiative, summarized, are the following:

- We must adapt quickly.
- Technological expertise is essential.
- Licensure requires rethinking.
- We must expand our view of the CPA candidate.

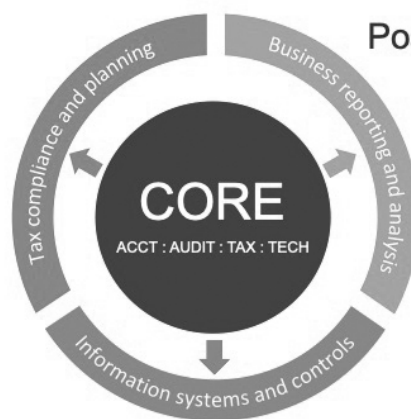
–All must demonstrate core competencies.

- Change should be rapid yet deliberate.
- Last July, the NYSSCPA created a CPA Evolution Task Force, which sent a comment letter to the AICPA and NASBA on Aug. 8, stating that the Society was, overall, in agreement with the project. Among its comments were that, “so as to not dilute the value of the CPA designation, the need for additional skills, critical thinking, and com-



## New marketplace demands ... and opportunities

- Internal control reporting
- Continuous reporting
- Internet of Things (IoT)
- Social media
- Deep fakes
- Sustainability
- Digital/crypto assets
- SOC for Supply Chain
- Blockchain implications on SOC 1 and SOC 2
- SOC for Cybersecurity
- Privacy/GDPR
- Data integrity
- Certifications/HITrust
- Software functionality



## Possible model for discussion

- Strong core with accounting, auditing, tax and technology
- Deeper knowledge in three primary disciplines
- Reflects reality of practice
- Adaptive and flexible
- One CPA license
- Enhances public protection

Slides from a CPA Evolution presentation indicate the technologies that are changing how CPAs practice, offer a list of new marketing demands and opportunities, and introduce the proposed licensure model, based on the engineering model. Source: AICPA and NASBA

petencies, such as but not limited to technological and analytical expertise, should be in addition to and not in lieu of the existing requirements for licensure.” The comment letter also suggested that new authoritative guidance would be needed to address the changing competencies and future services the CPA will offer. It also opined that existing CPAs should not be subject to any additional educational requirements, suggesting, instead, that they take advantage of optional continuing professional education in order to obtain competency in new areas. The comment letter is available at [bit.ly/38O2Dx1](http://bit.ly/38O2Dx1).

The letter was signed by members of the CPA Evolution Task Force: Chair **Renee Rampulla**, a Society vice president; NYSSCPA President **Ita M. Rahilly**; NYSSCPA President-elect **Edward L. Arcara** and Barry, along with four mem-

bers of the Leadership Institute: **Robert J. Huether**, **William C. Huether**, **Vanessa A. McGovern** and **Tameka Walters**.

In all, more than 2,000 stakeholders provided feedback on the project last year, including state CPA societies, state boards of accountancy, accounting firm leaders and young professionals.

Walters, a tax supervisor at Citrin Cooperman, said that it’s important for the Society to be actively engaged in the CPA Evolution initiative because “part of the Society’s role is maintaining its relevancy to its members; it has to be on top of the things that are changing.”

Her message to other young professionals is, “Don’t be afraid.” She explained, “As younger members of the profession, I think we are 100 percent suited for whatever is going to come. I am on the millennial

–I have grown up with a lot of technology. We don’t necessarily fear changes with technology. It’s a part of everyday life.”

Last fall, the AICPA and NASBA considered several different licensure models and selected a core-plus-disciplines model, based on the engineering model, as the most promising. In this model, CPAs would need to know a strong core of skills, specifically, accounting, auditing, tax and technology. Then they would have the opportunity to specialize in one of three primary disciplines: tax compliance and planning, business reporting and analysis, and information systems and controls. The AICPA and NASBA believe that this model would work best for the CPA of the future for several reasons. The model enhances public protection by producing candidates who have the deep knowledge necessary to perform high-quality work; it is responsive to feedback, as it builds accounting, auditing, tax and technology knowledge requirements into a robust common core; it reflects the realities of practice, requiring deeper proven knowledge in one of three disciplines that are pillars of the profession; and it is adaptive and flexible, helping to future-proof the CPA, as the profession continues to evolve. The AICPA and NASBA aim to gather feedback on this approach and build out more details in the next few months, and to finalize an approach for an updated CPA licensure model in the summer. After the approach is finalized, they plan to establish implementation plans for what is expected to be a multiyear effort.

Members of the Society’s Future of Accounting Education Committee, chaired by **Steven S. Mezzio**, a faculty member in accounting at Pace University’s Lubin School of Business, consist of both academics and accounting firm leaders. They have been offering feedback to Barry at the past few committee meetings about how colleges and universities may need to change their curricula in order to adapt to the ultimate contours of the CPA Evolution initiative. During one recent meeting, members raised some questions and concerns about the proposed engineering model. For example, **Mark Ulrich**, a faculty member at Queensborough Community College, pointed out that one of the features of the accounting profession is that it is so open, and wondered whether the new specializations would be locking professionals into a more narrow focus. Some members expressed concern over whether schools would have the resources to offer the three specialization areas. Members have also discussed the pros and cons of changing the 150-hour requirement for CPA candidates back to 120, and the prospect of state accountancy boards being slow to adopt any model that the CPA Evolution initiative finalizes.

Mezzio observed that, along with learning technological skills, CPAs will need to develop skills in “working collaboratively with highly diverse and geographically dispersed teams, and critical thinking skills, including strategically framing issues, expressing thoughts and positions clearly and persuasively, and solving complex, unstructured problems.”

Additional information about the CPA Evolution initiative is available at [evolutionofcpa.org](http://evolutionofcpa.org)

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# White House proposes eliminating PCAOB

By CHRIS GAETANO  
Trusted Professional Staff

The White House has proposed eliminating the Public Company Accounting Oversight Board (PCAOB) entirely, as part of its fiscal year 2021 budget plan. The regulator's responsibility to oversee the audit profession would, instead, be folded directly into the Securities and Exchange Commission (SEC), which currently supervises the PCAOB.

"The Sarbanes-Oxley Act of 2002 established [the] PCAOB to oversee the audits and auditors of both public companies that are subject to Federal securities law and broker-dealers registered with SEC," said the White House on page 179 of the budget proposal. "The Budget proposes to consolidate the authorities and responsibilities of PCAOB into SEC beginning in 2022. SEC is already charged with investigating Federal securities law violations and has the authority to impose disciplinary action, including for public accounting firms that are also overseen by PCAOB. Consolidating these functions within SEC will reduce regulatory ambiguity and duplicative statutory authorities. SEC is also subject to discretionary appropriations, which ensures oversight and constraint over the fees assessed on market participants."

The White House believes that this will save about \$580 million over nine years. Bloomberg News noted that the PCAOB, which is supported by fees on public companies and broker-dealers, is currently working with an operating budget of \$284.7 million.

There is little other information about this proposal and what it might entail. It is unknown, for example, whether this would come with a corresponding budget increase at the SEC to take on this work, whether current PCAOB personnel would be folded into the SEC, or if the SEC would conduct inspections substantially differently from the PCAOB. Bloomberg noted, however, that the SEC staff is unused to the kind of work the PCAOB does, and it further speculated that it is possible that audit quality might get lost in the shuffle amid the commission's other priorities.

**Michele B. Amato**, a Marks Paneth LLP audit partner and member of the NYSSCPA's SEC Committee, welcomed the news, saying that "all auditors of public companies would be jubilant."

"While the inspectors claim to be helping auditors do a better job, the idea of publicly announcing deficiencies, no matter how minor, is not helpful," she said. "And all inspectors are not the same. Some are more reasonable than others."

She noted, however, that much would depend on the implementation. At the very least, the SEC would need to keep staffing considerations in mind if it were to absorb the PCAOB's duties, as outlined in the proposal.

"The PCAOB is comprised of former auditors, while those who work at the SEC may be attorneys or ex-CFOs. The SEC would need to hire auditors to carry out the inspections," she said.

Conversely, **Catherine R. Allen**, founder and managing member of Audit Conduct LLC, chair of the National Association of State Boards of Accountancy's Ethics Committee, and a consultant on independence and ethics matters, is strongly opposed to the elimination of the PCAOB, saying that the regulator has been a net positive for the auditing profession.

"Frankly, I think it would be a huge step backwards for the auditing profession, which has benefitted from the inspection process, and would be detrimental to investors," she said. "It's taken the PCAOB years to establish its inspection program—and they are still operating the broker-dealer program as a temporary program. So I think it's foolhardy and shortsighted to think the SEC could take over the inspection function and operate it effectively in anything less than several years. We cannot afford that situation."

**Douglas R. Carmichael**, an accounting professor at Baruch College who served as chief auditor of the PCAOB when the organization was still new, said he was "appalled." Such a move, he said, would be contrary to the congressional intent of the Sarbanes-Oxley Act, which formed the board in the first place. He explained that former Sen. Paul Sarbanes (D-Md.) was very careful to emphasize that the regulator needed to attract highly qualified professionals. To do that, he said, they'd need to pay the PCAOB's inspectors well beyond what they'd have earned as regular government employees. Moving the PCAOB's duties into the SEC, he said, "would totally gut the inspection process" because he didn't think there would be enough dedicated government workers to effectively run it.

"One of the biggest problems the SEC has had over the years is that they are subject to budget appropriations, and if their budget is cut, they find it difficult to do their job. That's another thing that was avoided through the way the PCAOB was structured. ... Their operations are paid for by the public companies that benefit most from their activities. And changing that, I think, would be a disaster," Carmichael said.

The measure would need approval from Congress before passage, given that the proposal is part of the president's budget. Rep. Bill Huizenga (R-Mich.), in an interview with the *Wall Street Journal*, said that he had encouraged the White House to consider eliminating the PCAOB, but he noted that it is unlikely the measure will pass, considering that the Democrats control the House. Still, he said that it was a conversation worth having.

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# Auditors welcome proposed changes to SEC independence rules

By CHRIS GAETANO  
Trusted Professional Staff

The Securities and Exchange Commission (SEC) has proposed loosening the rules around auditor independence, saying that the market and economy have changed significantly since the current regulations were set in 2003.

A major part of this proposal, which was released to the public late last year, involves changing who does and does not count as an audit client. Under current regulations, the audit client is not only the entity that the CPA firm audits, but also any affiliates of that client. Such affiliates are defined as entities that have "control over the audit client, or over which the audit client has control, or which [are] under common control with the audit client, including the audit client's parents and subsidiaries."

But the SEC proposal said that including affiliates in this way does not account for a number of situations it has observed in which a prohibited service or relationship with such an entity did not result in a corresponding threat to an auditor's objectivity and impartiality, and that, further, portfolio companies found it challenging to monitor all their relationships in order to remain in compliance.

With this in mind, the SEC has proposed adding to the rules governing which affiliate entities will fall under the audit client umbrella the phrase, "unless the entity is not material to the controlling entity." The commission has

also proposed a similar amendment when it comes to affiliated investment companies. In both cases, the SEC said, this amendment does not change the application of the general standard, and so even if the affiliate no longer counts as an audit client, the auditors could still identify independence concerns regarding that entity.

**Catherine R. Allen**, the founder and managing member of Audit Conduct LLC and the chair of the National Association of State Boards of Accountancy's Ethics Committee, said that this change would relieve auditors of issues "that have dogged the profession for 20 years now," namely situations in which a client has sister entities, including in an investment company complex such as a mutual fund. Allen said that, as the market has changed, "it's become nearly impossible for firms to manage these two components of the rules" due, in particular, to the rising influence of private equity, which has complicated the picture of who controls what.

Vanessa C. Teitelbaum, technical director of professional practice at the Center for Audit Quality and another proponent of the change, said that the past few years have seen private equity firms with large, complex organizational structures. As a result, she said, "What ends up happening is you are auditing Entity A; you are not auditing Entity B, but they become your affiliate because they are under common

Continued on page 16

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## NEWSMAKER

# First female partner at Mazars weighs in on diversity strategy, tax changes



Lisa Osofsky

By CHRIS GAETANO  
*Trusted Professional Staff*

Lisa Osofsky, a tax specialist, was Mazars USA's first female partner and the first female member of its executive board. Having recently spoken at the NYSSCPA's Women's Leadership Forum, she is a staunch advocate for diversity and inclusion in the accounting profession. Osofsky took the time, a few days after the forum, to speak with *The Trusted Professional* about the challenges facing women in accounting, as well as her take on the current tax landscape. The Q&A has been edited for length and clarity.

## What got you interested in the accounting profession? What appealed to you about it?

I was really planning to go into commercial art, but then I took an accounting class, and it just clicked. I loved the content, and I was good at math, so I said, "I think I'll be an accounting major." When I first entered the profession, it was more about the numbers, but I never anticipated all the great relationships I would build. I learned over time that it's actually about the people, and that is what's kept me interested all of these years.

## You were the first female partner at Mazars. What was it like being the only woman for a while?

It was interesting. When I was elected as a partner in 1996, it was a time when many senior partners in the firm were getting older and ready to retire. I think there was a change in the mindset, not only within our firm but, generally, of women being elevated into leadership positions. So it was a good time to come in, even as the only female partner, because the tides were changing. I would say that, as a result, I always felt comfortable being in a room full of men for business, because that's what I was used to doing, and I always felt comfortable sharing my opinion, asking questions, participating and engaging in the discussion.

## You are currently the only female member of the firm's executive board. How is this experience similar to, or different from, the time when you were the only female partner?

It's not that different in the sense that, again, I think the culture of the firm was shifting over time. It's a very collaborative environment, and, as before, I don't really have any hesitance about being at the table, participating and contributing, because it feels very natural for me. I feel diversity of thought is welcomed on our board, so I feel empowered to share my thoughts and engage with the tough questions and challenges as much as anyone else in the room.

## Many women have been in the similar position of being the only female member of a high-ranking group, whether it be the board or the C-suite or just a management

## team. What "survival tips" would you have for them?

The experience may be different for everyone, depending on the type of organization and its culture. That being said, having confidence in sharing your opinion, asking questions and challenging things that don't sound right is important. A lot of women coming up through the ranks think, "If I work hard and put my head down, I'll get recognized and progress," but I think you have to occasionally advocate for yourself and the strengths and skills that you bring. You've earned that career progression through your skill set and experience and ability to execute. That is why you are there. So be proud of that, be passionate about it and be yourself.

## You are deeply involved with the Women@Mazars program, which aims to support and educate female leaders at your firm. Many CPA firms have similar groups, initiatives and programs. When deciding how to structure and run your own, what did you want to do differently?

The difference is in how we think about it. We refer to this as a strategy, not an initiative, because we think it's important for this to be a long-term part of the core culture we want to build and the principles we value. We structure our approach in a committee format, addressing different aspects of executing the strategy. We have a communications committee, a visibility committee, a champions committee (which is based on geography), a sponsorship committee and a career-life integration committee. Our focus includes an education and awareness series that we hold in our offices, and for remote employees, to raise awareness on critical topics in building gender equity and an inclusive culture. We also want to provide visibility of, and access to, role models, to help retain, develop and elevate qualified women, building diverse teams to enhance the growth of our professionals, as well as the firm.

## During the Women's Leadership Forum, you mentioned the importance of supporting working mothers in their careers, particularly by ensuring flexibility and encouraging work-life balance. To what degree do you think that the challenges encountered by working mothers can be addressed via firm policies and public policies, and to what degree must they be addressed via culture, by pushing back against negative attitudes and assumptions regarding working mothers?

I think you're right, in that there is a distinction between individual firm policies, public policies and culture. I believe all those things impact us. When it comes to culture, we work hard at combatting unconscious biases, with respect to working mothers. For example, if a woman just came back from maternity leave, a male partner might not even ask if she wants to be assigned to an out-of-town engagement for Client X because the

partner may innocently assume that she doesn't want to travel, having just had a baby. Maybe she would say no because of that, but maybe she'd love to get away for a week and would be very interested in the engagement and the opportunity it may present for her growth. I think culture is a big part of that. When I look at younger women coming up through our partner ranks today, I think there has been a lot of improvement since I was first a partner. There's more flexibility and more openness for both women and men. You'll find that there are a lot of men today who leave early to attend their child's soccer game or go to a school play. So, culturally, I think that attitudes are starting to shift. There's more work to do, because many women still struggle with the assumption that even if they're working, they're still responsible for taking care of everything at home, too, but there's definitely been progress, and many more men are sharing in those responsibilities.

## Advocating for gender diversity in the workplace can sometimes lead to difficult conversations with people who either can't or won't "get it," for lack of a better term. Can you share a story of how you were able to convince a colleague of this issue's importance? And, generally, what advice would you give to someone with a similar colleague?

In my experience, results are the best argument. Some of our more seasoned partners might be used to the old days and the old ways, and are concerned that addressing these issues could hurt the firm's success. For example, providing maternity leave and flex scheduling for working moms may generate a fear of not getting all the work done. But when you have talented women who take three months off for maternity leave, for example, and then choose to return on a flexible schedule or a part-time schedule—continuing to be an asset to the firm—you demonstrate positive experiences that help to counter those fears. We've been able to help our more experienced partners "get it" and understand that it's not just about seeing someone at their desk late into the night that equates to work getting done. And more professionals are working remotely, making it easier for men and women to stay engaged, whether in the office or at home.

## You're the leader of the firm's Private Client Services practice, which concentrates on business solutions and wealth planning for high-net-worth individuals, closely held business owners and their families. How are client engagements in this area different from the typical tax planning, personal financial planning engagement? I imagine these clients must have unique issues and some strong personalities, as well.

It's certainly different, in the sense that it's a high-touch, more responsive type of business. We built our practice on being there for clients and acting as their trusted adviser, and they have an expectation of us being super-responsive.

While a lot of our clients are business owners, we deal more with the individual and family side of things, which is a little different from a typical planning engagement because you're more ingrained in the family dynamics and all the nonfinancial and nontax aspects that influence their decisions. A big issue, for instance, is addressing the question, "When is it a good idea to talk to your adult children about money, and educate them on just how much money you have and what it means?"

The children may recognize affluence, but they don't know the details. And often, financial planning with clients involves having multiple goals—maybe they're taking care of an elderly parent while they're also putting several kids through college—and limited resources to achieve them. This can be a challenge, even for affluent families.

## How has the Tax Cuts and Jobs Act (TCJA) changed tax strategy and financial planning in your practice area? What parts of it have impacted your clients the most and why?

One aspect that has influenced our clients in the New York area is the state and local tax deduction cap.

Many clients weren't getting the deduction anyway, due to the old alternative minimum tax rules, but there were still plenty of affluent high-net-worth individuals, like executives, with ordinary income who could deduct their state taxes in full, so the \$10,000 cap has had a big impact, and has led to some clients moving out of New York and New Jersey to Florida or Texas, where there's a lower tax rate or even no income tax.

One thing I find interesting about the TCJA is that it's the first time, in a long time, where if you specialize in the individual tax area, you need to know a decent amount about the business tax area as well. In the past, there was more separation between the business and individual tax side of things. Obviously, you wanted to be well rounded and understand the big picture, but I think the interaction between the business and individual side is even greater than it used to be.

Look at the 20 percent pass-through deduction on qualified business income (QBI). Some of our wealthy clients use S corps, and others might be law partners or consultants. How do the QBI rules apply to them individually, based on their business dealings? That connectivity is much greater today.

Tax accounting, like all the other classic accounting fields, is seeing technology take on more and more routine tasks, freeing people up for larger analytical work—in this case, tax strategy and planning. Do you think that, as time goes on, the stereotypical "I fill in tax returns all day long" aspect of tax practice will be gone completely, in the same way that sending auditors to a warehouse to pull receipts is largely a thing of the past? Or



# AICPA's Melancon addresses technology challenges, warns of licensing threats



Photo: Michael Schwarz

AICPA President and CEO Barry C. Melancon speaks at the Accountants Club of America's "Annual Issues Breakfast" on Feb. 4.

By RUTH SINGLETON  
Trusted Professional Staff

At the Accountants Club of America's (ACA) "Annual Issues Breakfast," Barry C. Melancon, the president and CEO of the American Institute of CPAs (AICPA), discussed how the profession needs to evolve to match the pace of technology, and warned of threats posed by some state governments to unwind the basic licensing regime.

Melancon began by addressing the tremendous impact of technology on the profession. "I get to spend a lot of time with people who are futurists," he said, and, thus, he has gained insights into what to expect from technology.

He spoke of 2012 as the year when the power of artificial intelligence (AI) really took off. To illustrate the pace of change, he said, "Essentially, artificial intelligence [now] has the capacity of one human brain. It is estimated that in 18 months, it will equal the capacity of two human brains." But in 2030, he predicted, "it will have the capacity of all human brains." He added, "If you had a phone in 2013, if that battery had advanced at the same rate, it would last 800 years."

"If you don't think this isn't going to change life as we know it," he said, "you're not paying attention."

Melancon gave the group a lot to consider for the future of the profession. With the advent of AI, blockchain and data analytics, he said, CPAs have to rethink what the profession can do.

"If we were building the profession today, we would not limit it to accounting and tax," Melancon said. "We have to think about a new system of information—the notion of attestation not just of numbers, but of whole systems, including human capital and the environment. We will attest that the business environment provides reliable information."

But changing over won't be easy, he said. "Tens of thousands of CPAs will need to reskill themselves. It's costly and it's hard."

He cited the example of Dynamic Audit Solution (DAS), an ambitious three-year initiative of the AICPA and 35 accounting firms, as an example of firms coming together to reimagine what the audit can be. The AICPA's goal for the project is to use technology to create a transformational auditing methodology. Melancon said that the payoff would come when the results are made available to the many firms that have auditing practices in the United States.

Melancon also spoke about CPA Evolution, an initiative of the AICPA and the National Association of State Boards of Accountancy (NASBA), to transform the CPA licensure model. He noted that the CPA exam has remained relatively uniform for the past 115 years, but said that nothing is uniform for 115 years. He said that what is tested needs to be broader but not as deep, noting, as an example, that "420,000 CPAs do not need to know derivative accounting." He explained that the CPA Evolution initiative has arrived at a model based on the engineering profession, whereby CPAs will need to know core competencies but can then specialize within their areas of practice.

Melancon emphasized the need for CPAs to put the time in to learn about the new technologies and acquire at least a "cocktail party" level of understanding of such technologies as cybercurrency and blockchain.

## Licensing threats

Turning to the topic of licensing threats, Melancon said, "There's a lot of action in the states to unwind basic licensing regimes." He said this movement is aimed not just at CPAs but at all licensed professions. He explained that there are forces behind this movement on both the liberal and conservative side, and that they are targeting both trades, such as hairdressing, and learned professions, including architecture and engineering.

"We're building a coalition of learned professions" to fight these efforts, he said. Last August, the AICPA and NASBA were instrumental in launching this coalition, the Alliance for Responsible Professional Licensing (ARPL). Its focus is to educate policymakers and the public about the importance of rigorous professional licensing standards.

The NYSSCPA is working closely with the AICPA and NASBA on the CPA Evolution project, and in communicating opposition to the movement against state licensure of the learned professions.

J. Michael Kirkland, the president of the ACA and a past president of the NYSSCPA, opened the Feb. 4 event and thanked the attendees for a high turnout.

In his remarks, Melancon also paid tribute to a friend and colleague, NYSSCPA Past President Stuart Kessler, who passed away last year, calling him "an incredible human and an incredible CPA."

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### COMMITTEE NETWORKING NIGHT

On Feb. 6, the NYSSCPA hosted Committee Networking Night, where members mingled; enjoyed beer, wine and hors d'oeuvres; and learned about the Society's nearly 60 committees.



### Lisa Osofsky

Continued from page 8

**will there always be a place for this area of tax practice?**

I think there will always be a place for compliance work, but it's shrinking. We're introducing new technologies this year that, even more so than in prior years, autofills data into the returns, so you don't need lower-level staff keypunching the data. That staff can now be a little more planning- and advisory-oriented, and can be trained in that direction earlier, as opposed to before, where the focus was on compliance first. I think high-net-worth clients will never fill out a postcard for their tax returns, so they will always need advisers, but the focus will be more on how we bring value to the planning side.

Even today, when looking at where I spend most of my time with clients, it's not on compliance, but rather, on areas like gift and estate planning, buying and selling property, retirement planning, and those types of services that are more focused on value-add than compliance-oriented. But the compliance will always be a component because we want to reduce their taxes and know how to maneuver through the system. The actual time spent on that, however, will be reduced because of technology.

**How have these technological advances changed what sort of candidates you look for when bringing on new staff? In general, there's a higher demand for tech savvy and data analytics skills for entry-level candidates. How much is this the case in tax, in particular?**

We talk a lot in the industry about hiring more than just accountants. We look at math majors and computer majors, people like that, and I think you'll continue to see that going forward. The industry may even hire people who don't have a finance-oriented degree—maybe they studied history or psychology, and so you teach them on the job about the business side of things. But I go back to accounting as a solid foundation because the balance sheet is still very relevant. Despite changes in technology and the evolution of our business, we still make T-accounts and talk debits and credits when trying to solve a problem. I think there will be more and more nonaccounting majors joining our industry over the long term, but the core, in my opinion, will be accounting majors for the foreseeable future.



# Committee Spotlight: Small Firms Practice Management, Banking

By CHRIS GAETANO  
Trusted Professional Staff

The NYSSCPA Committee Spotlight is where *The Trusted Professional* showcases the dozens of Society committees devoted to virtually every aspect of the CPA profession. If you would like to join either of the committees featured here, contact the committee chair or Keith Lazarus, manager of committees and technical resources, at klazarus@nysscpa.org. Committee members need not travel to New York City; because of improved technological capabilities, many regularly videoconference in to the statewide meetings. Upstate members, as well as those in the New York metropolitan area, are encouraged to apply. As a result of a recent recruitment effort by NYSSCPA leaders, the percentage of committee applications from upstate rose from 20 percent to 36 percent since October.

The interviews featured in the Committee Spotlight have been edited for length and clarity.

## Small Firms Practice Management Committee

Chair: Orumé A. Hays, o.hays@ohacpa.com



### How did you get interested in the committee?

When I first launched my CPA practice, I knew working alone would be different than working with a big firm or company. Previously, I had bosses and colleagues I could look to for feedback; as a sole practitioner, I lost this critical business component. As an employee, I was a member of the Not-for-Profit Organizations and Financial Accounting Standards committees. After researching my options as a new business owner, I knew the Small Firms Practice Management Committee was a good fit for me. The committee gives me access to feedback and discussions with other like-minded professionals. It keeps me connected to the profession and helps me learn more about how other CPAs are running their practices.

### How would you describe your committee in terms of what it does, and the kinds of activities it focuses on?

At the Small Firms Practice Management Committee, our focus is on small CPA firms ranging from sole practitioners to firms with about 10 CPAs. We discuss practice management issues and exchange best practices within our firms. We deliberate about general trends in the profession and discuss professional issues, about which we request feedback from other members. It's an open, collegial forum where members get a lot of value.

### What issues have been a major topic of discussion among your committee members lately? What's been capturing their attention in this area?

I would say two things. First is cybersecurity. This is top of mind for some members. The IRS

now requires tax practitioners to have a written cybersecurity plan in place. So we need to have concrete plans and not simply check a box that says we have one. Recently, we've had discussions about resources and templates we can utilize to be in compliance with data breach and cybersecurity requirements.

Second is staying up to date with new regulations and accounting standards. We recently had a successful CPE session on "Revenue Recognition, Revenue from Contracts with Customers." This session was requested by members, and we walked away with some good implementation tips. Another matter of concern is the Financial Accounting Standards Board's new lease standards. While the effective date was extended for nonpublic companies, practitioners are concerned about obtaining adequate education and guidance on the new standards. Accordingly, we are planning a CPE session to assist members with implementation of Accounting Standards Codification (ASC) Topic 842, "Leases."

Staff turnover is another regular topic of discussion. For small practices, it's difficult to keep good staff because you don't have as many resources as, or the latitude of, the bigger firms, so we frequently talk about solutions that can help us retain talented staff.

**On the one hand, small practitioners now have access to technology that enables them to do things that, before, only large firms were capable of. On the other, small firms face increasing market and regulatory pressures, which has led to a large amount of mergers-and-acquisitions activity, as owners sell to regional firms. With this in mind, would you say it's more or less difficult to run a small practice today?**

I would say that while challenges still remain, it's become a lot easier for a small practice to thrive in today's world. For the most part, the ability to leverage technology is key. For example, we can utilize cloud technology, operate a paperless office and provide our clients with secure portals. There are numerous price points for different services, so practitioners are better able to tackle pressures from both the marketplace and regulatory bodies. It's important to stay abreast of technology, and tapping into automation, outsourcing, and other tools and resources can help ease some of the pressures.

### Why join this committee? What would be your pitch to someone who has never heard of your committee?

If you have a new company or are a growing small firm, there's only so much you can do and know on your own or with your small internal team. By joining the Small Firms Practice Management Committee, you'll become part of a group of like-minded professionals who want to help each other succeed. We want every firm to thrive. If there's an issue you're dealing with, you can talk to other members who have dealt with something similar in the past. I am always interested in learning new and improved best practices for running a successful firm, and I always pick up new tips. The committee is also a good place for networking with other professionals, and for developing technical and soft skills, especially communication skills. We encourage all members to be active participants in the committee, so you will interact with a variety of voices, with different levels of experience. There's a lot going on; come and

join us. You are also welcome to attend any one of our meetings as a guest.

## Banking Committee

Chair: Jeremy R. Goss, jeremy.goss@us.gt.com



### How did you get interested in the Banking Committee? What led you to join?

When I moved to New York City from Arkansas about seven years ago, I began looking for ways to meet new people and "plug in" to the industry I served—banking and financial services. I was fortunate to meet **Jo Ann Golden** through a client relationship, and I learned she was in the process of jump-starting the NYSSCPA Banking Committee. She was serving as chairperson at the time and extended an invitation to join the committee. She presented it as a great opportunity to meet other CPAs, as well as those in the banking industry.

### Please describe your committee in terms of what it does and the kinds of activities it focuses on—for instance, CPE, Society initiatives, comment letters and discussion.

The Banking Committee primarily serves as a forum for our members to build relationships and consider diverse perspectives, while keeping current with happenings in the banking industry—specifically, banking-related news and regulatory, accounting and audit updates. We hold monthly—mostly virtual—meetings to discuss these matters, as well as plan any upcoming events or CPE sessions. A couple of times a year, we replace our normal meeting with a one-hour CPE session on a relevant technical topic. We will invite guest speakers or other committee members to lead the sessions, depending on expertise.

We also have an individual on our committee, **Matthew T. Clohessy**, who is particularly skilled at technical analysis and writing comment letters in response to regulatory communications. We've averaged one comment letter per year for the past few years.

### What issues have been a major topic of discussion among your committee members lately? What's been capturing their attention in this area?

Within the banking industry, the largest accounting-related topic for the past few years has been the Financial Accounting Standards Board's new current expected credit losses standard, or CECL for short. It became effective for nonsmall reporting company SEC issuers on Jan. 1. Given the hefty data requirements, qualitative analysis across the business [world] (i.e., outside accounting) and the forward-looking nature of the estimates, banks, other lenders, as well as auditors have been attempting to interpret and prepare to implement the standard in practical ways for the better part of three years.

The changing technological landscape has also been a frequent topic of discussion. Regulated financial institutions are navigating digital transformation strategies and determining the most effective ways to adopt new technologies and integrate with their service offerings. Also, the oftentimes smaller, nimbler nonbank lenders and other financial technology providers continue to exert competitive pressures on regulated financial institutions. Banks continue to adapt in innovative ways, such as identifying niches and leaning into competitive advantages.

### What accounting issues tend to be particular to banks? How is being a CPA in banking different from being one in other fields?

A bank's more significant accounting issues tend to revolve around estimates, such as the allowance for credit losses and fair value of assets and liabilities. Estimating how much the bank will ultimately collect on its loan portfolio or financial instruments involves complex and often sensitive assumptions about past, present and future conditions. What is vitally important is not only data quality and integrity, but also the ability to read the data to produce reliable results. Further, with the implementation of the CECL standard as mentioned above, the likelihood of future events is more relevant than ever.

This moment in history, in particular, is enlightening because the financial services industry, as a whole, is evolving. Barriers to entry are being lowered, and banks are becoming more agile to compete. Those in the banking industry often simultaneously hold a respectful appreciation for and a healthy skepticism of the regulatory environment in which banks operate. Understanding regulation, whether it comes from federal/state regulators, rulemaking bodies or other standards setters, is key to understanding the "why" behind a bank's strategies. The fun part about being a CPA serving this industry is the unique perspective it offers on our economy as a whole. Banks exist to provide safety and stability for our finances and, at the same time, they fuel growth opportunities for some of our most ambitious ideas. Understanding how banks balance the risks inherent in this model through diversification, personal relationships with their customers, and other risk-management practices means there's always something new to learn.

### Why join this committee? What would be your pitch to someone who has never heard of your committee?

In the past few years, the Banking Committee has been rejuvenated, and we've built a core group of active members. These active members help coordinate events, find speakers and regularly offer up their insights to the group. The committee is large enough to have a wide variety of people to meet, and small enough to feel like you are a true contributor. Some of our members are experts in their particular fields; none of our members, however, are experts in "all things banking," so we're always open to learn from one another. Whether you work in the banking industry, serve clients in banking or are simply a CPA interested in banking and financial services, your perspective, knowledge and contributions will be appreciated in the NYSSCPA Banking Committee.



## TECHNOLOGY

# Getting ready for New York SHIELD Act's data security requirements

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

In July 2019, New York state adopted the Stop Hacks and Improve Electronic Data Security (SHIELD) Act. As specified, the act seeks to “[broaden] the scope of information covered under the notification law and [update] the notification requirements when there has been a breach of data. It also broadens the definition of a data breach to include an unauthorized person gaining access to information. It also requires reasonable data security, provides standards tailored to the size of a business, and provides protections from liability for certain entities.” See [bit.ly/2HhqGIy](https://bit.ly/2HhqGIy).

In many ways, the act functions like other state privacy and security laws that seek to protect their constituencies’ data. Yet each state law has unique aspects that require attention from organizations located in or serving the residents of that state. Most aspects of the law have already gone into effect. The data security requirements take effect on March 21, 2020.

Unlike other laws and regulations targeted to specific industries—typically, financial, health care and payments—the act can apply to any organization that maintains the infor-



mation specified in its provisions. For some, merely reviewing and making minor modifications will work fine. For others, compliance with the act may require the development and adaptation of new processes, technology and awareness strategies.

There are several steps that organizations should take in preparing for the deadline:

**Read the law.** Surprisingly, many professionals don’t take the time to read the law’s provisions, relying, instead, on vendor or service provider promotional literature. While the latter can play an essential role in gathering market intelligence and obtaining an introductory understanding of the law’s requirements, it does not substitute for direct knowledge of the law’s provisions. If appropriate, consult with counsel to address unique issues.

**Prepare an extract of the law’s requirements.** The extract that is used to summarize the requirements that the organization must meet can also serve as a checklist for performing the gap analysis. Given the law’s nuances relating to notifications, the extract should detail expectations in order to facilitate the review and prioritization of identified gaps.

**Conduct a gap analysis.** Many of the act’s provisions are not necessarily new. However, some rules provide a different approach or philosophy than what many organizations currently practice. These can include understanding custodial responsibilities of related data, being aware of the timeliness of notification, documenting individual risk-acceptance decisions, and learning the formalities relating to information security management. The act’s requirements should be reconciled with current practices to identify and prioritize remedial actions.

**Reconsider the need and storage strategy for protected data.** One way to minimize the impact of the act on the organization is not to obtain or store the protected data. Sometimes, it is necessary to have the protected information, and so investments in its protection are required. But, many times, organizations maintain protected information that is not needed—just because an old form may ask for it, an old spreadsheet used to use it, or due to some other legacy practice that is no longer needed.

**Communicate with executives and other critical stakeholders.** With daily performance pressure and heightened demand for limited resources, many assume that the act’s provi-

sions, primarily related to security challenges, can be remedied based on better use of existing technologies. Although most operations can be tweaked, certain aspects of the act may require significant investment and/or time, depending on existing systems and processes.

Numerous organizations have already assessed the impact of the act’s provisions on their operations. Some common challenges faced by small to midsize organizations, including not-for-profits, encompass the following:

- Adapting the new definition of a breach that provides for unauthorized access, in addition to the acquisition of the protected information. Including this definition may require updates to the policies, procedures and technologies supporting the protection of the data.

- Identifying and classifying the data throughout the organization. This includes developing data flows to understand how protected data is obtained, how it flows, where it is stored and whether the organization shares the protected data with third parties.

- Ensuring that sufficient logs and audit trails exist to monitor the access to and inquiry of information.

- Formalizing a security program, including the designation of an appropriate individual to manage the program.

- Performing a realistic and sufficient risk assessment to proactively assess the security threat by focusing on the spirit, rather than the letter of the act.

- Updating existing incident response plans and programs to reflect the nuances of the act, especially as it relates to breach notifications.

- Documenting rationales for when notifications are not made as part of the breach response strategy.

## Recommended guidance

Fortunately, reliable guidance exists to help organizations implement the act. Many CPA practices may already be familiar with IRS Publication 4557, “Safeguarding Taxpayer Data: A Guide for Your Business,” and IRS Publication 5293, “Data Security Resource Guide for Tax Professionals,” and they will find both of these publications to be very good references to help with performing the gap analysis and assessments, while using a tool specifically tailored to protected information and targeted to professional service firms. Alternatively, the National Institute of Standards and Technology’s *Small Business Information Security: The Fundamentals* ([bit.ly/2SAMMeu](https://bit.ly/2SAMMeu)) and the FCC’s “Cyberplanner” ([fcc.gov/cyberplanner](https://fcc.gov/cyberplanner)) can help organizations jump-start their efforts to address the reasonable security requirements of the act.

*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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## RISK MANAGEMENT

# Hacker attacks focus on email systems and tax files

By SUZANNE M. HOLL, CPA

Camico's cyber-related claims experience reveals that hacker attacks on CPA firm email systems were the most frequent cause of cyberlosses for firms, accounting for almost two-thirds of cyber-related claims reported to Camico.

Many claims are also related to tax return preparation. A trend appears to involve waiting until just before a tax return deadline (e.g., late March and early April) to launch an attack that encrypts all of a firm's tax files. A demand is then made for ransom, in exchange for access to the files. Ransom demands have ranged from about \$1,000 to \$20,000.

E-filing identity theft and the fraudulent use of Social Security numbers also continued to pose problems for clients and firms. Hackers trick firms into changing bank account information for the direct deposit of tax refunds into the fraudsters' accounts. A common technique is to use an email address that is one character off from the client's email address—just close enough for recipients to think the email is legitimate.

Cybercriminals who access firm email accounts often manipulate incoming and outgoing messages. These messages (elements of phishing scams) are designed to trick recipients into clicking links, pop-ups or attachments in order to compromise accounts or trigger malware.

Once a fraudulent link or attachment is clicked, hackers can install malware and access

other email accounts and internal computer networks. Hackers will spend time studying email messages and computer systems in preparation for ransomware attacks, which encrypt files and data, rendering them inaccessible. The hacker then demands a ransom in exchange for the release of the files.

Fraudulent wire transfers tend to cause large dollar losses. If the fraudster is controlling the client's and the firm's email—commonly referred to as a “man in the middle” attack—and a fraudulent request mimics previous legitimate requests, the firm may be unable to identify the request as illegitimate.

Employees also caused problems for firms by copying client information onto portable or flash drives before terminating their employment with the firm.

## Loss prevention tips

In one case, a hacker emailed a CPA firm and explained that the reason the firm's computer system was being hacked was because the firm's browser software had not been updated, making it easy for the hacker to access the system. The hacker then demanded a ransom in exchange for the hacker leaving the firm's client accounts alone.

• Tip: Be sure to use software with updated security options to defend against malware, viruses, and phishing and hacker attacks. Create and enforce a policy to regularly update and patch all software.

In another case, a CPA was typing in a website address (URL) for his tax software provider,

when a pop-up showed him a URL and asked him if that was the website he wanted. It looked like what he wanted, so he clicked the pop-up, thereby allowing malware into his computer. Afterward, it was determined that the URL he clicked had an extra period in it.

• Tip: Never click a link, pop-up or attachment without first hovering your cursor over the link to display the URL. If it's not a URL that you recognize, or if it's abbreviated or tweaked in any way, don't click it.

Here are some additional tips:

• Use your professional skepticism to avoid becoming lulled into a sense of comfort regarding email and other communications from clients and third parties. Any request for money or tax refunds to be transferred or deposited into a bank account unfamiliar to you is often a red flag, especially if the new account is in another country.

• Obtain a verbal confirmation if you receive an email from a client requesting changes to the client's tax refund destination or requesting a wire transfer. Do not rely on email replies. Voice mail that is converted into email can make email unreliable.

• Educate all employees about good cyberhygiene and how to avoid phishing attempts that target them with social engineering techniques designed to install malware or to deceive them and elicit confidential information.

• Back up all important data and information frequently to reduce the likelihood that critical data is lost in the event of a cyberattack or physical incident, such as a fire or flood. Protect the

backups in a remote or external location, where they are safe from ransomware that seeks out backup copies. Periodically, verify whether backups are working.

• Add another layer of security with multifactor authentication. Usernames and passwords alone are often insufficient for preventing account takeovers. Adding and combining factors provides greater protection.

• Avoid public Wi-Fi or hot spots when inputting or working with personally identifiable information (PII). Cybercriminals can easily see individuals' information on public Wi-Fi. Wait until you're on a trusted network.

• Install a secure client web portal that will archive and store your clients' personal documents and data. A portal will lower your staff's administrative burden, ease the burden of locating important electronic documents, and eliminate the need to hunt for those documents within extended email threads.

*Suzanne M. Holl, CPA, is senior vice president of loss prevention services with Camico (www.camico.com). With more than 28 years of experience in accounting, she draws on her Big Four public accounting and private industry background to provide Camico's policyholders with information on a wide variety of loss prevention and accounting issues.*

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## WOMEN'S LEADERSHIP FORUM

# Panelists stress need for minority- and woman-owned business programs

By CHRIS GAETANO  
Trusted Professional Staff

A set of panelists at the Foundation for Accounting Education's Women's Leadership Forum on Jan. 29 lamented that, too often, the discourse surrounding programs designed to support minority- and woman-owned business enterprises (MWBE) sets up a false dichotomy between quality and equity when it comes to awarding government contracts.

Rumbi Bwerinofa-Petrozzello, the moderator of the panel, noted that one criticism of these programs is that government contracts should go to the most qualified business, regardless of who owns it, and asked whether they do represent an unfair advantage.

"There's a false choice," said Lourdes Zapata, president and CEO of the South Bronx Overall Economic Development Corporation, a community development organization. "When I see 'best and brightest' or 'diversity,' it implies you need one or the other. Of course everyone wants the best, of course everyone wants the most talented. That's separate from whether you should want or need diversity. ... We're not asking folks to take subpar woman-owned businesses or subpar people of color-owned businesses, but you assume that because they are woman-owned or people of color-owned it will be subpar, and I reject that discussion."

Wendy Garcia, chief diversity officer for the Office of the New York City Comptroller, agreed, saying that the numbers simply do not bear out this conclusion. Right now, she said, New York City is 80 percent women or people of color (or women of color), yet only 5 percent of the city's total procurement goes to MWBEs. With this in mind, she said that "the city is not doing business with the majority of the people in this city." With proportions this lopsided—which she attributed to historical advantage for incumbent businesses run by white men—one cannot claim that the envi-

ronment is competitive, which is ultimately the program's goal.

"I agree, if you want a sustainable city, you need a competitive space where everyone could compete and really focus on merit. I don't think there's one woman ... or person of color in this room that will tell you they have not competed for everything they received. What they will tell you is, 'I competed, I tried, and still didn't get it.' And if you [asked this of] a room full of white men, the story changes completely. Those are the facts, what the data says," said Garcia.

Zapata, who had previously been New York Gov. Andrew Cuomo's chief diversity officer, said the numbers are similarly disappointing on the state level as well. Even though 53 percent of all businesses in New York state are owned by women and people of color, they get only 30 percent of the government's business. She said that she's not looking for a major advantage but a proportionate share of opportunity.

The persistence of this problem can be at least partially attributable to biases and assumptions baked into the planning process. Having witnessed city procurement officers at work, Garcia said that many times, when developing a contract, the scope and terms tend to be shaped by what they already know, which tends to be incumbent businesses owned by white men. This has the effect of creating language biases in requests for proposals (RFP).

"You must have done business with the city before, but if you never did before, that disqualifies you, so it doesn't even allow you to compete. Or it will say things like you must have revenue reflective of some city contracts, but if you don't have revenue from a city contract [to reference], you're disqualified from competing," she said.

Aarti Tandon, the co-founder and CEO of Citizen Eight LLC, a consulting firm that happens to be an MWBE as well, said that these sorts of assumptions can be seen in the ultimate products of these contracts, even if it's something as mundane as a crosswalk. The amount of time given to cross the street at an



Rumbi Bwerinofa-Petrozzello speaks at the leadership forum.

intersection, she said, is designed around a young, able-bodied man. It does not account for people with strollers, people with disabilities, or even women in heels.

"When we're thinking of urban planning, we're not thinking of whole communities. ... We have to take into perspective how people move back and forth and how they stop and what they do. Now that we have the sharing economy, who is left out? If you don't have the right people sitting at the table, the right questions won't get asked," Tandon said.

Garcia noted that it can be difficult for city agencies to get past these biases. Her department, since it was first instituted six years ago, has graded city agencies on how they're doing toward meeting the goals regarding MWBE contracts outlined in Local Law 1, and admitted that their performance was less than stellar. The city, year after year, has been graded D on these goals, except for this year, when

it got a C. She did note, however, that there are specific agencies that have received better grades—even As—indicating that this system of accountability is working.

Tandon added that the city seems to be giving mixed messages. On the one hand, it's "doing so much to bring us into the pool and say we are here for you," but at the same time, it then is very difficult to actually get a city contract, compared to other firms.

Garcia acknowledged that this is an issue, saying that 30 percent of MWBEs get no contracts from the city at all, and while she was hopeful this would change over time, she recommended talking to legislators, because while her own department has given testimony on this issue, "there's nothing like hearing it from women and minority business owners live."

"We need to solve for a lot of structural racism that exists in city government," she said.

Zapata also stressed the importance of getting certification as an MWBE. While a business owner might be a woman or a person of color, until they are officially certified as an MWBE, they cannot receive the program's benefits. Additionally, she said it's important to understand the differences between the state and the city programs, as they have different certification processes, although, she advised, it's very important to be certified by both. She conceded that the process can take time and be frustrating, but noted that there are organizations like her own that assist people through it.

Garcia added that even within the city, there are 12 different certifications one could take on. Some, like those for private and public companies, have an application fee. Others, like the one for the Port Authority or the schools, are free. Understanding that most people don't want to go through 12 different certification processes, she said that her own office will help in performing a market analysis of a prospective MWBE firm and help them determine which certifications make the most sense.

cgaetano@nysscpa.org

## UNDER Forty40

## Who's Under 40 and Making a Difference?

The New York State Society of CPAs is accepting nominations for the new and prestigious Forty Under 40 award. If you know someone in your firm, your chapter or on a committee who deserves the recognition, please complete the nomination form at [nysscpa.org/40under40](http://nysscpa.org/40under40) before March 31.

### ELIGIBILITY

- Must be a college graduate between the ages of 21 and 40 as of Dec. 1, 2019
- Must hold a leadership role of importance in his or her organization
- Must have made significant achievements in his or her career in 2019

- Must have had substantial involvement in community service outside of the performance of his or her day-to-day job

- Must reside or work in New York state
- Must be a member of the New York State Society of CPAs

### SUBMITTING NOMINATIONS

Please ensure that your nomination includes the following information:

- Describe the nominee's current work
- List what the nominee has accomplished in his or her workplace
- Outline how the nominee's work has impacted the community

- Tell us how the nominee has gone above and beyond in giving back to the community and/or nonprofit organizations

- Suggest what future promise the nominee holds

- Include additional comments and reasons for nomination (explain why this individual deserves a Forty Under 40 award)

### AWARDS CEREMONY

The Forty Under 40 awards ceremony will take place at the NextGen Conference in Rochester, N.Y., on July 29. We strongly encourage all winners to attend.

### SPONSORSHIP

For sponsorship information, please contact Darlene Rives at [darlene.rives@mci-group.com](mailto:darlene.rives@mci-group.com), 410-584-1930.

### DUE DATE

Nominations must be submitted no later than March 31, 2020, to be considered.

Winners will be notified in June 2020.

### MORE INFORMATION

To nominate someone and learn more, go to [nysscpa.org/40under40](http://nysscpa.org/40under40). For questions about the process, please contact Darryl Jackson at [djackson@nysscpa.org](mailto:djackson@nysscpa.org), 212-719-8433.



## WOMEN'S LEADERSHIP FORUM

# Keynote speaker at leadership forum says effective allies vital to inclusion

By CHRIS GAETANO  
Trusted Professional Staff

Melinda Briana Epler, the keynote speaker at the Foundation for Accounting Education's Women's Leadership Forum on Jan. 29, explained how everyone has a role in the fight for workplace diversity and inclusion, as effective allies are a key part of the process.

Epler, the founder and CEO of advocacy and consulting firm Change Catalyst, used her own experiences to illustrate that even if a job is great in all other aspects, a lack of support and respect with regard to diversity can erode one's enthusiasm and effectiveness. She said that, in 2013, she was working at what should have been her dream job, but "little behaviors and patterns that slowly chipped away at my ability, that ate away at my confidence, at my leadership, at my capacity to innovate," made it "the worst professional experience of my life." This, she said, ultimately prompted her to launch her own firm and advise companies on how they can become more inclusive and promote women as leaders.

For Epler, diversity is bringing people with different backgrounds to the table, but she added that "it's not enough to [just] be at the table." This is why inclusion, which is inviting these people to speak and encouraging them to lead, is a vital factor as well. But, she added, "that's not enough either," as both must ultimately be within the frame of equity, the correction of injustice and unfairness, while addressing historical privilege and oppression. She conceded that while it's tempting to think of these efforts as some sort of side-project HR initiative, "it really is a systemic issue, and it's you and me working together, creating change one person at a time, one act at a time, one word at a time."

"It takes all of us working together, working on ourselves, on our own biases, and working to create change," she said.

This is why Epler believes that allyship—understanding the imbalance in opportunities and using one's own privilege to change it—is crucial. Real change needs to work on the

someone like a woman or a person of color will bring up a good idea that gets ignored or put aside, and then a few minutes later, someone else brings up a very similar idea, and now it winds up being championed. An easy way to address this situation, she said, is to echo the first person's idea and attribute it to that person.



Melinda Briana Epler speaks about the importance of allyship at the Women's Leadership Forum on Jan. 29.

cultural level, and that doesn't happen until "a critical mass of allies" develops, she said.

Part of being an effective ally, according to Epler, is being engaged with people as they speak. Especially when the speaker is the only person like you in the room, giving that person your full attention can make a big difference, as is making it a point not to interrupt, said Epler, who explained that marginalized people are interrupted more often than other people.

She also encouraged those seeking to be effective allies to echo and attribute good ideas voiced by marginalized people. Too often,

Another major component is learning the language that people use to describe aspects of their own identity, such as their race, ethnicity, religion or even name. While these might seem like small matters, attending to them sends a signal that you're willing to take these things seriously and approach them on their own terms. Part of this learning will necessarily include going outside of your own comfort zone every once in a while, such as attending an event or seeing a speaker geared toward an audience that's not you, as "that type of learning and growth can make a big difference in how you show up for other

people, because it builds up those empathy muscles and understanding."

Epler also said that effective allies can advocate in small ways by setting up people from marginalized groups for a better success. If someone is the target of prejudice, even casually, or if someone is being bullied or excluded, she said there are many opportunities for effective allies to intervene on their behalf. Effective allies can also leverage their own connections to help, such as inviting people to speak who may not normally get to do so, or referring people for jobs or leadership opportunities.

It's not always easy to tell how something is affecting someone. Epler said to be aware of body language, particularly poses. She noted that when people experience harassment or bullying or are unfairly stereotyped, they tend to shrink into what she said was a "low power" pose, such as slouching or looking down, and she advised that audience members be aware of the body language of others in order to see the effect that such demeaning behavior is having on them.

Epler warned, however, that being an effective ally can sometimes be difficult and even at times risky, which can make people hesitant to support their colleagues. In such cases, she said, it's important to keep in mind why being an ally is important, and letting that guide your actions.

"It's different for everyone," she said. "For some people, it's about the money: The fact is that diverse and inclusive teams are more productive, more profitable, more innovative. For others, it's a social justice issue; it's the right thing to do to correct injustice and inequities. It could be for your kids or their kids or grandkids, for sons or daughters or nonbinary children, for our collective future. For me, it's all of these above, but you need to figure out what it is for you, so when you take these risks, you have this extra motivation internally."

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## Career panel

Continued from page 1

career fair convinced her that she could, instead, turn her skills to law enforcement.

"You can use your accounting skills to fight crime, to be part of something bigger," she said.

This meant that, on top of the extensive education required to get her CPA license, Rodriguez also needed to train as a federal law enforcement officer, after which she worked first as a forensic accountant with the FBI and then, once a position opened up at the IRS, as a special agent with its CI Division. She acknowledged that, at first glance, a CPA might seem like an odd fit for law enforcement, since "what does breaking down a door have to do with accounting?" But she said that, over the course of more than a decade in law enforcement, she has found the combination to be more intuitive than it might at first seem.

"Because of that analytical mindset, it makes us great investigators, and financial forensics

becomes a part of you, something you've always been doing," Rodriguez said. "Right now, whether the FBI or IRS CI, you're part of a greater good, and that's why I enjoy this job."

Not that the traditional path is something to completely discount: The third panelist, Lisa Osofsky, a partner at Mazars USA who is both the firm's first female partner and the first female member of its executive board, saw her firm grow, over the course of her career, from one office with \$12 million in revenue to 10 offices with \$230 million in revenue. "That path, participating in that growth, contributing and making an impact, has been really rewarding," she said. (See page 8 for an interview with Osofsky.)

Osofsky said that she was the firm's only female partner "for a while," during which time she was juggling the demands of both her career and caring for small children, noting that

she found out about her partner election in 1996, when her second child was born. While she joked that being the only woman meant there was never a line for the bathroom at partner meetings, she has made a pointed effort to elevate and support women in her firm by serving as the executive sponsor of the Women@Mazars program.

Osofsky said that, in particular, the culture at her firm has evolved to allow for more flexibility, which has enabled women to better customize their career paths to fit their individual needs. She noted, for example, that there are even more options for women leaving for—and coming back from—maternity leave than she had in her day, saying that some opt to come back full time and others part time, and others still transitioning from one to another. She added that this flexibility has also been applied to other activities, such as taking care of an elderly

parent or for traveling. Technology, particularly the kind that lets people get work done anywhere, has been a big factor in promoting this flexibility. This paradigm falls under what she calls "standardized customized," which, she admitted, sounds like a contradiction, but informs a lot of what she does.

"We all have to work, we all have skills, we all need to communicate, but how do you customize that?" she said. "I think it's a combination of the passion you bring ... and the relationships you build. I think of this profession as a people business first, and a number business second, and it's the personal brand you make for yourself that shows [how] you customize it to make your path whatever you need it to be."

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## INTERNATIONAL TAXATION CONFERENCE

# Speaker warns of pitfalls when considering international pensions

By **CHRIS GAETANO**  
*Trusted Professional Staff*

**James F. Cassidy**, a speaker at the Foundation for Accounting Education's International Taxation Conference on Jan. 30, warned his audience that if they're not careful, clients with pensions from other countries might get hit with a surprise tax bill.

Cassidy, a regional managing director at Dominion Fiduciary, noted that the United States is particularly difficult on money received from foreign pensions compared to other countries, such as Mexico, which doesn't tax foreign pensions at all, or the European Union, which allows full pension portability. With this in mind, clients who receive foreign pensions, whether they're foreign nationals working in the United States or U.S. nationals working abroad,

need to plan carefully if they want to avoid double taxation.

Consider, he said, a U.S. client working in Ecuador. If that client pays into a self-employment plan or a 401(k) plan, then that person might have to pay Ecuadorian taxes on the contribution, and then pay U.S. taxes when he or she takes the money out. Or, similarly, he said, consider a U.S. client working in Brazil: While the client receives no benefit from it, that person will, nonetheless, still need to pay into the Brazilian social security system.

Heading off unpleasant surprises like this, according to Cassidy, requires being familiar with the terms of the U.S. tax treaty with whatever country the client is in. This is because the only way one might conceivably defer taxes on a foreign pension plan is if there is a provision in the tax treaty saying so. If there is no tax treaty, as is the case with

Brazil, then "there's no accommodation. It doesn't provide any benefits, really, for foreign nationals."

A treaty alone might not be enough, however, Cassidy warned, because without a corresponding "totalization agreement," the client is still responsible for paying into a country's social security system. For example, he explained, Mexico has a tax treaty with the United States, meaning that while the client is protected from double taxation on the distributions, that person will still owe social security tax. These taxes can be balanced, however, with a U.S. tax credit in such cases, but not if there is a totalization agreement in place.

He noted that, in most countries in Latin America, Asia and the Middle East, there are no totalization agreements, even though there might be tax treaties.

If one wishes to avoid these rules entirely,

Cassidy said that clients could, theoretically, decide to put their money not in a pension plan at all, but in alternative investments. He said he has seen people use real estate and life insurance annuities for these purposes.

Regardless, he also stressed the importance of reporting everything. He noted that while IRS audits are at an all-time low, the government has announced an initiative cracking down on foreign tax evasion. What's more, the IRS will be aware of the client's activities due to the Foreign Account Tax Compliance Act, which mandates that banks report to the government on customers with connections to the United States.

"I used to get questions like, 'How is the IRS ever going to know?' They'll know because the banks will tell them," Cassidy said.

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## Auditor independence

Continued from page 7

control," despite the two entities not having any material relationship with each other besides that.

"It's not the same as a subsidiary—it's apples and oranges," she added.

By adding a materiality component to the affiliate rules, Allen said that audit independence can be preserved while, at the same time, dispensing with situations that don't matter.

"If there are sister companies through the audit client, unrelated to the client but for the fact they share a common parent, if that sister company is immaterial to the parent company, then the auditor, in theory, could potentially have interests or relationships with that sister entity and still be independent," she said.

**Douglas R. Carmichael**, an accounting professor at Baruch College who served as chief auditor of the Public Company Accounting Oversight Board in 2003, was, overall, supportive of the proposal, but he was a little hesitant when it came to the case of certain hedge funds and affiliated investment companies. Imagine, he said, that "you've got controlling person A, and he's got Fund B and C. You're auditing Fund B and you have a big investment in Fund C. So this rule would say, 'Hey, that investment of fund C doesn't jeopardize your independence of Fund B.' But let's say Fund C has restrictions on when you can pull your money out. You could call up the controlling guy, 'Hey, I'm your auditor for Fund B and I want to get out of Fund C; won't you let me do that?'"

"So I think it's more complex than that. Just 'not material to the controlling entity' doesn't do the job," he said.

But Allen noted that, even with this change, the SEC's general rule on independence would still be in effect, and so facts and circumstances can still mean that even if a sister company isn't technically an affiliate, it would still represent a threat to independence. Teitelbaum added that

even outside the SEC's own general rule, firms also have an interest in maintaining independence and quality control, and will occasionally find such facts and circumstances themselves.

Allen added that, in terms of implementation, it might be challenging for firms to get the materiality information from the sister entities of their audit clients. Unless the auditors are doing the work at the parent level, they may have trouble conducting the materiality analysis, which, Allen said, "would be a shame because I think that's the right answer, to filter out immaterial sister entities, but I'm not sure firms will always be able to obtain that information. And if they can't, what choice do they have but to include them, and then we end up with the status quo."

**Jonathan Zuckerman**, a partner at PKF O'Connor Davies, LLP, and the chair of the Society's Auditing Standards Committee, said that this change will likely "have a noticeable impact on the number of possible additional clients a firm can take on," as there will be less of a chance of an independence violation. He said, however, that many of these same firms might actually lose, as the pool of potential clients for other firms would expand too. Beyond the number of clients, Zuckerman also pointed out that the change could affect what firms do for clients as well.

"The change to amend the definition of an affiliate of an audit client would result in larger international firm networks being able to perform more nonattest work for attest clients, potentially reducing the number of firms that may be engaged by an SEC registrant," he said.

### Other provisions

The SEC proposal would also loosen rules around the types of relationships that count as independence threats. Student loans would be added to the current list of debt relationships—which include auto loans, loans fully

collateralized by an insurance policy, loans fully collateralized by cash deposits, mortgage loans collateralized by the borrower's primary residence, and credit card debt under \$10,000—that do not represent an independence threat. It would also change the focus on the types of business relationships representing a threat from "substantial stockholders," which currently has no regulatory definition, to "beneficial owners," which does. In addition, the types of prohibited business relationships would be focused on those that involve persons in a decision-making capacity, as it relates to the entity under audit, meaning that the independence analysis would focus on whether the beneficial owner has significant influence over the entity under audit.

The new regulations would also amend what counts as an audit engagement period. Currently, Rule 2-01(b) outlines certain circumstances that, if they occur during the "audit and professional engagement period," are inconsistent with the general standard of independence. However, the SEC said, domestic and foreign filers have different lengths for what counts within this period. For foreign filers, it's just the past year. For domestic filers, it's the "period covered by any financial statements being audited or reviewed" or the "period of the engagement to audit or review the ... financial statements or to prepare a report filed with the Commission." Because the SEC believes that the difference creates an unfair barrier for domestic filers, the proposal would simply give everyone, foreign and domestic, the same one-year audit engagement period currently used by first-time filers.

The regulations would also create a transition period for firms that acquired accidental independence violations via merger and acquisition activity; the violation, in the proposed framework, would need to be corrected as promptly

as possible, and the entity would need a quality control system and be otherwise in compliance with independence rules.

Carmichael said that the SEC's proposal, overall, is the product of years of auditors asking the SEC about circumstances that, technically, count as violations but are eventually found to not actually threaten auditor independence. The proposed regulations essentially codify the many piecemeal exceptions that staff had allowed.

At the Accountants Club of America's (ACA) "Annual Issues Breakfast" on Feb. 4, AICPA President and CEO **Barry C. Melancon** commented on the SEC's proposed changes, saying, "Rules written decades earlier need to change with the environment."

**Jan C. Herringer**, a retired BDO USA, LLP audit partner and NYSSCPA past president, had a similar assessment, saying that the proposal is an acknowledgement of the rapid change the market has been undergoing, and that the changes would allow auditors to focus on important matters without threatening their independence.

"The business environment is much more dynamic and complex than it was even five years ago," Herringer said. "For example, business transactions and acquisitions occur more often and at a much quicker pace than historically, which has implications not only for how corporations conduct business but also for matters relating to auditor independence and, consequently, for audit quality. I believe the SEC's release is appropriately looking to obtain feedback on how to modernize the auditor independence requirements to reflect the current market landscape, while maintaining the integrity of auditor independence and audit quality."

Comments on the proposal are due by March 16.

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# As we head into this year's filings, how has the busy season changed over the years?



**WILLIAM J. SCANNELL** | Managing Partner | Binghamton

This will be my 35th tax season this year, so I'm confident in saying that things have changed considerably. Technology is one of the biggest ways. We were literally doing tax returns on paper and pencil when I started out. Computers have made things a lot easier, which is lucky, because the fact of the matter is that we wouldn't be able to do these complex forms nowadays without the sophisticated software we use. This leads into the second area, which is complexity—take last year, for example, with the qualified business income deduction for pass-through entities. That's just one small example of items that keep being added that increase the complexity year after year.

Work-life balance is another big change over the years. Back then, it was expected that you would be working late and coming in on the weekend. This isn't the case anymore, which has had the effect of making it more difficult for firms to get what they need done. However, this leads into another major change, which is communications: People used to send stuff in the mail or would come to our office personally, but now we just get emails and text messages. I just had one client send me something over WhatsApp! This has made it a lot easier to get in touch with clients, but at the same time it has also increased their expectations of how fast they should expect a response. Firms have adapted and evolved to meet these changes, though, and while they might be uncomfortable at first (as they were in getting used to e-filing), ultimately, they become just part of life at any firm.

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**EDWARD J. TORRES** | Sole Proprietor | Forest Hills

When I started providing accounting services and preparing tax returns over three decades ago, the information to do our work was contained on paper. We used to make copies of bank statements, canceled checks and check stubs, and everything else. Then, if you fast-forward a decade, and scanning became an option, we did that instead of making copies. We'd scan client papers into digital files. Then, fast-forward another decade, and now clients mostly send their information over secure email, and we've automated routine processes using QuickBooks and CCH tax software. Now we can download transaction records directly from banks and other financial institutions. Overall, this has led to a smoother and simpler process. For instance, one recent client referral is a small business owner who has not had any accounting or tax work performed for all of 2019. In the old days, we would have received reams of paper information, and we would have entered everything ourselves, and it would be cumbersome to the point that those clients may have needed to go on extension. But now, we can connect directly to their banks and financial institutions, and download all the information needed. It has significantly shortened the time we need to accomplish our work products.

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**STEPHEN P. WOOD** | Owner | Plattsburgh

The most noticeable change is that clients don't need to come in anymore because they can just send us their files directly. Overall, it's becoming easier and easier to perform an entire engagement without ever seeing the client face to face. This means that not only can we get client information faster, but we can easily get in touch with them if there's a problem. Before, you might leave a phone message or even a fax, and you'd wait a few days for them to get back to you. Now, you wait only a few hours at most. This, in turn, has really helped with work-life balance. It's no longer a given that you'll be working 16-hour days during the busy season. We, in fact, designed our firm this way: We all have families here, and no one wants to be tied to their desks for two-thirds of the day, so we try to [implement systems] so we don't have to be too tied to the physical office to get our work done.

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**CHRISTINE A. LEARMAN** | Sole Proprietor | Grand Island

A big change is the compression of tax season. Several years ago, we would have 13-plus weeks to gather information from clients for the April 15 filing due date. Now, tax season is really compressed to five or six very intense weeks. In previous years, the major financial institutions issued their consolidated 1099s at the end of January. Now, several companies have utilized extensions and issue their statements about Feb. 15, and then, there are usually changes requiring multiple amendments. Many times, we don't receive clients' information in its final form until the end of March.

Another major difference is the enhanced security requirements. We are now required to ask for proof of identity—Social Security cards, driver's licenses, etc.—that verifies the identities of the clients. Sometimes, this leads to having to chase down the client for even more documentation.

Another big difference is the due diligence checklists that are required to be completed by the tax preparer. These checklists are for various credits, such as the child tax credit, American Opportunity [Tax] Credit or filing status. Previously, we would take clients at their word when they would ask to claim these credits or declare their filing status. However, there has been a substantial amount of fraud associated with tax return preparation, and the government has chosen to hold the tax preparer accountable. We now need to verify our client information, which adds a layer of time and cost for the tax preparers and clients. On a positive note, using technology for a paperless office has been great. The elimination of paper files has definitely streamlined our workflow process.

*chris@chrislearmancpa.com*



**RONALD B. HEGT** | Partner | White Plains

The tax season has certainly become compressed: Brokers, for example, don't send their 1099s on Jan. 31 anymore but, rather, on Feb. 28, which really does not help our deadlines. This, plus more entities than before being on a calendar year, means we've got a lot more to do but less time to do it. And, I think it goes without saying, the complexity has gone through the roof, and not just at the federal level. When I started out in this profession, when you were done with your federal return, the state just followed, but now every state has its own disconnects and carveouts and exceptions to what it does and doesn't follow in the federal code.

Technology is another major change, particularly automation. This has been a double-edged sword: We get things done quicker, but clients also expect things done quicker. What's more, in a world of instant gratification, changes can be made at the eleventh hour, as opposed to some point a week to 10 days before the deadline. This means that there's not really a ramp-down from the season the way there was in the past. Right up until the minute before you file, there could be changes that you'll need to make.

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# CHAPTER NEWS

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## CHAPTER EVENTS & CPE

### Manhattan/Bronx

#### Manhattan/Bronx Chapter—Cybersecurity: What CPAs Need to Know

**When:** April 23, 6–8 p.m.

**Where:** NYSSCPA, 14 Wall St., 19th Floor

**Cost:** \$20 members, \$30 nonmembers

**CPE:** 2 (advisory services)

**Course Code:** 29152005

Register online or call 800-537-3635

### Nassau

#### Nassau Chapter—Lease Accounting

**When:** March 12, 8–10 a.m.

**Where:** Deloitte, 2 Jericho Plaza, 3rd Floor, Jericho

**Cost:** \$10 members/nonmembers

**CPE:** 2 (accounting)

**Course Code:** 29031013

Register online or call 800-537-3635

#### Nassau 67th Annual Nassau Chapter Installation Dinner

**When:** May 13, 6:30 p.m.

**Where:** Crest Hollow Country Club, 8325 Jericho Turnpike, Woodbury

**Cost:** TBD

Check the chapter webpage for registration updates

### Northeast

#### Northeast Chapter—2020 Annual Golf Outing

**When:** May 18, 8 a.m.–4 p.m.

**Where:** Wolferts Roost Country Club, 120 Van Rensselaer Blvd., Albany

**Cost:** TBD

**Course Code:** 45050004

**Contact:** Frank Ferrucci at fferrucci@wojeskico.com

### Rochester

#### Rochester Chapter—Outstanding Student Awards Dinner

**When:** April 23, 5–8 p.m.

**Where:** Oak Hill Country Club, 145 Kilbourn Road, Rochester

**Cost:** \$26 students, \$47 professionals

**Course Code:** 45050004

#### Rochester Chapter—20th Annual Counselor's Cup Golf Challenge

**When:** June 9, 8 a.m.–4 p.m. (dinner and awards to follow)

**Where:** The Links at Greystone, 1400 Atlantic Ave., Walworth

**Cost:** \$150 per golfer

**Course Code:** 45050101

**Contact:** Bill Heumann at wheumann@daviekaplan.com  
Register online via PayPal

### Westchester

#### Westchester Chapter—Impact of a 21st Century IT Culture

**When:** March 18, 7:45–9 a.m.

**Where:** Skadden Arps Slate Meagher & Flom LLP, 360 Hamilton Ave., 3rd Floor Conference Center, White Plains

**Cost:** Free

**CPE:** 1 (advisory services)

**Course Code:** 29112009

Register online or call 800-537-3635

#### Westchester Chapter President's Dinner

**When:** May 20, 5 p.m.

**Where:** Willow Ridge Country Club, 123 North St., Harrison

**Cost:** TBD

Check the chapter webpage for registration updates

#### Westchester Chapter Annual Golf & Networking Event

**When:** Aug. 17, 10 a.m., registration and lunch; 12:30 p.m., shotgun start

**Where:** Wykagyl Country Club, 1195 North Ave., New Rochelle

**Cost:** \$375 for lunch, golf, cocktails and buffet; \$150 for cocktails and buffet only

**Course Code:** 45110101

**Contact:** Jeffrey Schwartz at jschwartz@eba.nyc

## NYSSCPA STUDENT SYMPOSIUM AND CAREER FAIR

Part career fair, part learning session, this event offers mock CPA exams and interview coaching, plus direct interaction with hiring managers. Great for students and CPA candidates.

**Event Date: March 27, 2020**  
Details at [nysscpa.org/jobfair](http://nysscpa.org/jobfair)

## Reflecting on the past decade, and looking ahead to the next one

By JOHN W. HERMUS  
*Suffolk Chapter President*



The profession has gone through major changes in the last decade. We have all been impacted by the sweeping changes of the Tax Cuts and Jobs Act of 2017, which introduced the complex Section 199A deduction and put a cap on state and local tax deductions, among many other major changes to our tax law. With the more recent introduction of the FASB's "big three" accounting standards—leases, financial instruments and revenue recognition—there has been the need for accountants to interpret, understand and advise on these updated standards. Technology rapidly changed how we worked over the last 10 years, with a strong push of automation, artificial intelligence, cloud-based accounting and tax work, and the use of social media.

From a personal standpoint, I am grateful for several major life events that I have gone through in the last decade. This was the

decade when I became a CPA, got married, bought a house and had my first child—I am grateful for all these things. The friends I have made in the NYSSCPA over the last 10 years are too many to count.

So where do we go from here? What will the next decade bring us? Where do you see the profession in January 2030? Accountants have the future on their minds. With increased automation for both accounting and tax work, there is a need for more advisory and consulting services. We will also be looking at the way CPAs are licensed differently, as the CPA exam topics undergo major changes for the digital age. We will continue to see the retirement of the baby boomer generation and the rise of millennials and Gen Z after that. This is truly an exciting time to be in this profession.

We have several events scheduled this year. On Thursday, March 19, the chapter's Mem-

bers in Industry Committee will present "Fraud: All the King's Horses," at the offices of Nawrocki Smith LLP, at 290 Broadhollow Road in Melville from 8 to 10 a.m. **Ernest Patrick Smith**, a senior partner at the firm, will be the speaker. In June, we will have two CPE courses focused on auditing. On Tuesday, June 16, from 2:30 to 6 p.m., one course will cover "Forms 5500—What Auditors Need to Know to Perform a Knowledgeable Review." On Wednesday, June 17, from 8 a.m. to 4 p.m., another course will cover "Advanced Audits of 401(k) Plans: Best Practices and Current Developments." Both courses will be held at the Melville Marriott Long Island, at 1350 Walt Whitman Road.

I wish everyone a successful and manageable busy season.

[jhermus@sheehancpa.com](mailto:jhermus@sheehancpa.com)



## FAE LISTINGS

## AICPA Pricing Schedule

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

<b>If you are:</b>	<b>8-hour course</b>
A member of both AICPA and NYSSCPA:	\$249 (Live), \$169 (Web)
Only a member of the NYSSCPA:	\$279 (Live), \$199 (Web)
Only a member of the AICPA:	\$349 (Live), \$269 (Web)
A member of neither AICPA nor NYSSCPA:	\$379 (Live), \$299 (Web)

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

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

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

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

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GEOGRAPHIC AREA

## LOCATION

## FIELD OF STUDY

## Date

## Course Title

Field of Study Course Code

## Site

## Developer

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(L) = Live Event, (W) = Webcast

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## FOR MARCH 1, 2020, THROUGH SEPTEMBER 30, 2020

## MANHATTAN/BRONX

## ACCOUNTING

3/26

## U.S. GAAP Review for Business and Industry

AC/8 32101013, 35101013 (W)

14 Wall Street

AICPA

\$279/\$379/\$249/\$349 (L), \$199/\$299/\$169/\$269 (W)

Early-Bird prices through March 5:

\$229/\$329/\$199/\$299 (L), \$149/\$249/\$119/\$219 (W)

5/20

## FAE's Nonprofit Workshop with Allen Fetterman

AC/5, AU/2, T/1 21114011, 35114011 (W)

14 Wall Street

Foundation for Accounting Education

\$279/\$379 (L), \$199/\$299 (W)

Early-Bird prices through April 29:

\$229/\$329 (L), \$149/\$249 (W)

9/17

## FAE's Nonprofit Workshop with Allen Fetterman

AC/5, AU/2, T/1 21104111, 35104111 (W)

14 Wall Street

Foundation for Accounting Education

\$279/\$379 (L), \$199/\$299 (W)

Early-Bird prices through Aug. 27:

\$229/\$329 (L), \$149/\$249 (W)

## ADVISORY SERVICES

4/20

## CFO/Controller's Roadmap to Success: Integrated Planning, Forecasting, and Budgeting

AD/8 33207011, 35207011 (W)

14 Wall Street

Surgent McCoy CPE, LLC

\$279/\$379 (L), \$199/\$299 (W)

Early-Bird prices through March 30:

\$229/\$329 (L), \$149/\$249 (W)

4/21

## Current Developments and Best Practices for Today's CFOs and Controllers

AD/8 33208011, 35208011 (W)

14 Wall Street

Surgent McCoy CPE, LLC

\$279/\$379 (L), \$199/\$299 (W)

Early-Bird prices through March 31:

\$229/\$329 (L), \$149/\$249 (W)

## AUDITING

5/14

## Annual Update and Practice Issues for Preparation, Compilation and Review Engagements

AU/8 32120011, 35120011 (W)

14 Wall Street

AICPA

\$279/\$379/\$249/\$349 (L), \$199/\$299/\$169/\$269 (W)

Early-Bird prices through April 23:

\$229/\$329/\$199/\$299 (L), \$149/\$249/\$119/\$219 (W)

5/15

## Analytics and Big Data Analytics for Accountants

AU/8 32121011, 35121011 (W)

14 Wall Street

AICPA

\$279/\$379/\$249/\$349 (L), \$199/\$299/\$169/\$269 (W)

Early-Bird prices through April 23:

\$229/\$329/\$199/\$299 (L), \$149/\$249/\$119/\$219 (W)

5/19

## Advanced Audits of 401(k) Plans: Best Practices and Current Developments

AU/8 33157011, 35157011 (W)

14 Wall Street

Surgent McCoy CPE, LLC

\$279/\$379 (L), \$199/\$299 (W)

Early-Bird prices through April 28:

\$229/\$329 (L), \$149/\$249 (W)

5/20

## Advanced Concepts in SSARS 21 and Nonattest Services: Are You Certain You Are in Compliance?

AU/8 33158011, 35158011 (W)

14 Wall Street

Surgent McCoy CPE, LLC

\$279/\$379 (L), \$199/\$299 (W)

Early-Bird prices through April 29:

\$229/\$329 (L), \$149/\$249 (W)

5/20

## FAE's Nonprofit Workshop with Allen Fetterman

See course listing under Accounting.

5/28

## Studies on Single Audit and Yellow Book Deficiencies

AU/8 32122011, 35122011 (W)

14 Wall Street

AICPA

\$279/\$379/\$249/\$349 (L), \$199/\$299/\$169/\$269 (W)

Early-Bird prices through May 7:

\$229/\$329/\$199/\$299 (L), \$149/\$249/\$119/\$219 (W)

5/29

## The New Yellow Book: Government Auditing Standards, 2018 Revision

AU/8 32123011, 35123011 (W)

14 Wall Street

AICPA

\$279/\$379/\$249/\$349 (L), \$199/\$299/\$169/\$269 (W)

Early-Bird prices through May 8:

\$229/\$329/\$199/\$299 (L), \$149/\$249/\$119/\$219 (W)

6/18

## Enhancing Audit Quality: Best Practices in Documenting and Reviewing Your Work

AU/8 33103111, 35103111 (W)

14 Wall Street

Surgent McCoy CPE, LLC

\$229/\$379 (L), \$149/\$299 (W)

Early-Bird prices through May 28:

\$179/\$329 (L), \$199/\$249 (W)

9/17

## FAE's Nonprofit Workshop with Allen Fetterman

See course listing under Accounting.

## ETHICS

8/18

## FAE's Ethics Update for Members in Business

E/4 21302111, 35302111 (W)

14 Wall Street

Foundation for Accounting Education

\$119/\$269 (L), \$79/\$229 (W)

Early-Bird prices through July 28:

\$99/\$249 (L), \$59/\$209 (W)

8/18

## FAE's Ethics Update for Public Practice

E/4 21301111, 35301111 (W)

14 Wall Street

Foundation for Accounting Education

\$119/\$269 (L), \$79/\$229 (W)

Early-Bird prices through July 28:

\$99/\$249 (L), \$59/\$209 (W)

## TAXATION

5/20

## FAE's Nonprofit Workshop with Allen Fetterman

See course listing under Accounting.

9/17

## FAE's Nonprofit Workshop with Allen Fetterman

See course listing under Accounting.

## FIELDS OF STUDY TO BE

## ANNOUNCED

5/6

## Broker/Dealer Conference

TBA/8 25558011, 35558011 (W)

Baruch College

Foundation for Accounting Education

\$385/\$485 (L), \$300/\$400 (W)

Early-Bird prices through April 15:

\$335/\$435 (L), \$250/\$350 (W)

5/18

## Business Valuation/Litigation Services Conference

TBA/8 25278011, 35278011 (W)

14 Wall Street

Foundation for Accounting Education

\$300/\$400 (L), \$250/\$350 (W)

Early-Bird prices through April 27:

\$250/\$350 (L), \$200/\$300 (W)

5/21

## Estate Planning Conference

TBA/8 25697011, 35697011 (W)

UJA Federation of New York

Foundation for Accounting Education

\$385/\$485 (L), \$300/\$400 (W)

Early-Bird prices through April 30:

\$335/\$435 (L), \$250/\$350 (W)

6/4

## Employee Benefits Conference

TBA/8 25621111, 35621111 (W)

14 Wall Street

Foundation for Accounting Education

\$350/\$450 (L), \$300/\$400 (W)

Early-Bird prices through May 14:

\$300/\$400 (L), \$250/\$350 (W)

6/25

## The 2nd Annual Qualified Opportunity Funds and Opportunity Zones Symposium

TBA/8 25601111, 35601111 (W)

UJA Federation of New York

Foundation for Accounting Education

\$300/\$400 (L), \$250/\$350 (W)

Early-Bird prices through June 4:

\$250/\$350 (L), \$200/\$300 (W)

9/24

## Health Care Conference

TBA/8 25545111, 35545111 (W)

UJA Federation of New York

Foundation for Accounting Education

\$300/\$400 (L), \$250/\$350 (W)

Early-Bird prices through June 4:

\$250/\$350 (L), \$200/\$300 (W)

## NORTHEAST

## ACCOUNTING

5/27

## FAE's Nonprofit Workshop with Allen Fetterman (Albany)

AC/5, AU/2, T/1 21115031

Hilton Albany

Foundation for Accounting Education

\$279/\$379

Early-Bird prices through May 6:

\$229/\$329

## AUDITING

5/27

## FAE's Nonprofit Workshop with Allen Fetterman (Albany)

See course listing under Accounting.

## TAXATION

5/27

## FAE's Nonprofit Workshop with Allen Fetterman (Albany)

See course listing under Accounting.

## ROCHESTER

## FIELDS OF STUDY TO BE

## ANNOUNCED

7/29

## NextGen: The Conference for YCPAs

TBA/8 25000111, 35000111 (W)

Hyatt Regency Rochester

Foundation for Accounting Education

\$100 (student members)/\$199/\$299 (L),

\$100 (student members)/\$149/\$249 (W)

Early-Bird prices through July 8:

\$149/\$249 (L), \$99/\$199 (W)

## SUFFOLK

## AUDITING

6/16

## Forms 5500—What Auditors Need to Know to Perform a Knowledgeable Review

AU/8 21101121

Melville Marriott Long Island

Foundation for Accounting Education

\$169/\$269

Early-Bird prices through May 27:

\$119/\$219

6/17

## Advanced Audits of 401(k) Plans: Best Practices and Current Developments

AU/8 33102121

Melville Marriott Long Island

Surgent McCoy CPE, LLC

\$279/\$379

Early-Bird prices through May 27:

\$229/\$329

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## **NEXT**<sup>GEN</sup> **CALENDAR**

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