

The Trusted Professional

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

VOL. 19 NO. 2 | MARCH/APRIL 2016 | WWW.TRUSTEDPROFESSIONAL.COM | WWW.NYSSCPA.ORG

Society board approves new, non-CPA membership class

Proposal goes to membership for approval

By COLLEEN LUTOLF and ROBERT BUSWEILER
NYSSCPA Staff

The NYSSCPA's Board of Directors voted on March 22 to approve, 35-1, a proposed change to the organization's bylaws that, if adopted by the membership at large, would create a new membership category at the Society for individuals who work closely with CPAs, such as attorneys, actuaries and other financial professionals, but who do not hold a CPA license or work under a CPA's supervision.

"At our last board meeting, we brought forward five different proposals, four of which this board has acted upon and are currently incorporated into either this year's budget or [a] future year's budget," said **Scott M. Adair**, the Society's immediate past president and chair of the Dues Restructuring Task Force. "One of them, probably the most significant one ... is to have a non-CPA membership class inside of our organization."

The NYSSCPA already has a sizeable non-CPA, associate membership base, composed of students, CPA candidates or individuals who either work for a CPA firm or for a CPA. The proposal seeks to expand the allowable criteria for associate membership so that individuals outside the direct supervision of a CPA have access to NYSSCPA membership. This new class of member would pay a membership rate of \$250 annually. These individuals would be prohibited, however, from holding board or committee leadership positions and would not have voting rights. Sponsorship by a CPA member in good standing would continue to be required of all applicants.

"This really mirrors the [direction] the profession has [already] moved," said NYSSCPA President **Joseph M. Falbo Jr.**

at the Society's Feb. 23 Executive Committee meeting in Buffalo, referring to the significant growth in the nonauditing practices in public firms, such as forensic accounting, business valuation and litigation support services. The Executive Committee's approval in February paved the way for the bylaws change to come before the Society's Board of Directors for a vote on March 22.

"One reason why we went in this direction is because it reflects the way more and more CPA firms look now," said NYSSCPA Executive Director **Joanne S. Barry** at the board meeting. "There is a different kind of professional integral to CPA firm staffs now. [The new category] would make membership available to all of those other professionals who are vital to firms but who cannot be members of the organization."

Under the proposal, non-CPA professionals with a bachelor's degree working full time for the government; industry or nonprofits; or in financial, legal or banking services are eligible to join as associate members. Educators who are teaching accounting or accounting-related courses at an educational institution, college or university will continue to be allowed to join as associate members, as well.

"This change will not only connect us to individuals inside of firms, but to a greater length, generate additional [members] who are intertwined with the profession outside of firms as well," Adair said.

Board member **Jack F. Craven** opposed the measure, saying he believed it would dilute the value of a CPA license, which is already unclear to the public, since non-CPAs are allowed to perform most of the same services CPAs do.

"I am going to vote against this," he said. "Clearly, the room is behind this, but I just disagree with it." Unlike attorneys or medical doctors, Craven said, CPAs compete with

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Photo: Maya Lindsay

RECRUITING FOR COAP—Local high school students visited the NYSSCPA's Career Opportunities in the Accounting Profession recruitment table at Spring Creek School's Spring Job & Intern Fair in Brooklyn on March 22. The NYSSCPA was one of more than 30 local organizations that participated in the event.

IRS assesses single tax liability to large partnerships

By CHRIS GAETANO
Trusted Professional Staff

The Bipartisan Budget Act of 2015, which gave the United States a little more breathing room on its debt obligations, has also created a time-saving and revenue-raising change to the audits of large partnerships. *Very* large partnerships.

The IRS has been adhering to rules established by the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982, which instructed them to pass along audit adjustments to the individual partners, unless the firm elected to be taxed at the entity level, which few did.

However, the complexity of large partnerships—particularly hedge funds and private equity firms, to name two categories with thousands of partners, even partnerships

within partnerships—made audits problematic in part because of the confusion over which entity in a tiered structure was actually generating the income or loss. In a White House blog on the budget act, the new rule has been hailed as "a substantial step toward ensuring that larger partnerships can no longer avoid paying the taxes that they owe."

One hurdle for the IRS was that large partnership audits couldn't get off the ground without its expending the time and effort to identify a "tax matters partner," cutting back on the amount of time available to spend on an actual audit. Since the designation of this partner is not included with tax filings, the hunt to name this partner weighed down the process. Moreover, IRS officials stated that the process of determining each partner's share of the adjustment was paper- and

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PRESIDENT'S COMMENTARY

Support the next generation of CPAs at the inaugural Moynihan Fund Gala, May 19

Every year in the month of May, at the NYSSCPA's annual dinner, the membership votes to elect the NYSSCPA's incoming officers and board members. It's traditionally been a formal affair and an exciting night, not only for the board inductees, but also for the annual NYSSCPA award winners, who are honored as a part of the evening's program. Over the years, the dinner has evolved into an event with a rather small universe of attendees—if you weren't an incoming board member, officer, award winner, past president, or accompanying someone in one of those groups, the likelihood of attending the dinner was diminished.

This year, that is going to change. We are refocusing the event—the goal is to reengage a much broader group of Society membership, as well as open our annual dinner to the public. Consequently, I expect that tickets will sell out. I could be wrong, but when an evening begins with a tuxedoed crowd enjoying cocktails on the Hudson River waterfront with sunset views of the Statue of Liberty and ends with an hour-long concert performed by Grammy Award-winning artist Dionne Warwick—not to mention a dinner prepared by one of New York City's best known celebrity chefs, Abigail Kirsch, all for \$225 a ticket—there's a chance that more members will want to attend than we have room for.

We've also refreshed the name of the event to the Moynihan Fund Gala. It is a gala, black tie is optional, and it will take place at The Lighthouse at Chelsea Piers, from 5–9 p.m. on May 19. The gala will continue to be a celebration—a celebration of the Society's 119-year history, the incoming board and the work we accomplished this year. In my opinion, one way to remember and honor our predecessors is to focus on the future,

to do for the next generation what the great men and woman before us did for us. To that end, an important focus for this year's gala is raising money for The Moynihan Fund, which finances the Society's Excellence in Accounting Scholarships and Career Opportunities in the Accounting Profession programs. Last year, when the Society created The Moynihan Fund in memory of Past President David J. Moynihan and launched the Carry It Forward campaign on March 17 in his honor, we set a goal to raise \$500,000 for the Fund over the next five years. We're still committed to that goal, but we've upped the ante. Our goal is to raise \$500,000 for The Moynihan Fund this year alone by May 19, the night of the gala.

The Moynihan Fund, first and foremost, is about the future of the profession—about creating a more inclusive profession by introducing high school students who are underrepresented in our profession to accounting through COAP—and about providing financial support to New York state college students of all races who major in accounting. The gala is not only about Society members. The Fund is not about today's CPAs. It is about the next generation of young people who have made a decision to follow our footsteps into the profession, and as CPAs, we have an obligation to help them get there. There is a Society member who has dedicated his life to doing just that—a man who embodies the goals of our COAP and college scholarship programs—and we are going to honor him for his service the night of the gala with the first-ever NYSSCPA Lifetime Achievement Award. That man is Frank K. Ross. Mr. Ross cofounded the Na-

tional Association of Black Accountants in New York City in 1969 went on to be the managing partner at KPMG's Washington, D.C., office, and is now a professor of accounting at Howard University, where he continues to teach today and where he serves as director of the school's Center for Accounting Education.



Joseph M. Falbo Jr.

The Moynihan Fund Gala promises to be a transformative event, not only for the Society, but for the countless number of New York state high school and college students who will benefit from our fund-raising efforts that evening. If you cannot attend, please consider sponsoring the event. Many of the tickets available have been spoken for by corporate and firm sponsorships. This has caused us to limit individual tickets to four per person. Only 150 individual tickets are available. If you are interested in attending, please buy a ticket now. We do anticipate that this event will be sold out. The ticket price includes dinner, an open bar and attendance at Dionne Warwick's performance. In the interest of encouraging young professionals to attend and recognizing that the cost should not be prohibitive, those 35 and younger will be charged a discounted rate of \$150 per seat until ticket sales close on May 14. Those interested in corporate sponsorships, please contact CJ Orr at cjorr@nysscpa.org or Alonza Robertson at arobertson@nysscpa.org. Individual tickets may be purchased online at moynihanfundgala.eventbrite.com.

president@nysscpa.org

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July/August issue—May 1
September/October issue—July 15

For more information on submitting an article, email clutolf@nysscpa.org.

To update subscription information, contact Member Services at 800-633-6320.

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The Trusted Professional (USPS 017-482) is published on the 1st of each month, by the New York State Society of Certified Public Accountants, 14 Wall Street, New York, NY 10005. Copyright © 2016 by the New York State Society of Certified Public Accountants. The NYSSCPA retains the copyright on all material. Subscription Rate: members \$15, nonmembers \$20. Periodicals postage paid at New York, N.Y., and additional mailing offices.

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Formal Notice of the 2016–2017 Annual Election Meeting of the New York State Society of CPAs

Please note that the annual membership meeting of the New York State Society of Certified Public Accountants will be held on Thursday, May 19, 2016, at 6:30 p.m. (opening reception: 5 p.m.) at The Lighthouse at Chelsea Piers, located at Pier 61, Chelsea Piers, 23rd Street and West Side Highway, New York City.

The meeting will be followed by a fund-raising gala for The Moynihan Fund (see page 7 for more information and registration details). Seating will be available for members who wish to attend the annual meeting but do not wish to attend the gala. If you wish to be seated for the meeting only, and not the gala, please contact Nereida Gomez at ngomez@nysscpa.org or 212-719-8358.

The agenda for the meeting is as follows:

1. Approval of minutes from the May 14, 2015, annual membership meeting.
2. Approval of proposed amendments to NYSSCPA bylaws.
3. Election of the 2016–2017 officers and directors with terms beginning on June 1, 2016.
4. Other business.

John J. Lauchert, CPA
NYSSCPA Secretary/Treasurer

NOMINATING COMMITTEE REPORT

JAN. 14, 2016

OFFICERS: to hold office for one year, from June 1, 2016:

PRESIDENT

F. Michael Zovistoski automatically succeeds Joseph M. Falbo, Jr., as President in accordance with Article VIII, Paragraph 5 of the Bylaws.

PRESIDENT-ELECT

HAROLD L. DEITERS III <i>Baker Tilly Virchow Krause, LLP</i>	to succeed	F. MICHAEL ZOVISTOSKI <i>UHY LLP</i>
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VICE PRESIDENTS

GREGORY J. ALTMAN <i>Health Sciences Charter School</i>	to succeed	CHRISTOPHER G. CAHILL <i>Deloitte & Touche LLP</i>
SUSAN M. BAROSSO <i>PKF O'Connor Davies</i>	to succeed	JENNIFER R. GEORGE <i>Vanacore, DeBenedictus, DiGiovanni & Weddell, LLP</i>
ANTHONY S. CHAN <i>CA Global Consulting Inc.</i>	to succeed	STEPHEN T. SURACE <i>Adjusters International Inc.</i>
JOHN S. SHILLINGSFORD <i>Albrecht, Viggiano, Zureck & Company, P.C.</i>	to succeed	MICHAEL M. TODRES <i>Todres & Company, LLP</i>

SECRETARY/TREASURER

JOHN J. LAUCHERT <i>Horizon CFO LLC</i>	to succeed	JOHN J. LAUCHERT <i>Horizon CFO LLC</i>
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DIRECTORS-AT-LARGE: to hold office for three years, from June 1, 2016:

SOL S. BASILYAN <i>PricewaterhouseCoopers LLP</i>	to succeed	JEFFREY F. ALLEN <i>EisnerAmper LLP</i>
SALVATORE A. COLLEMI <i>Collemi Consulting & Advisory Services, LLC</i>	to succeed	ANTHONY S. CHAN <i>CA Global Consulting Inc.</i>
CHRISTOPHER G. CAHILL <i>Deloitte & Touche LLP</i>	to succeed	JACK F. CRAVEN <i>John F. Craven, CPA, LLC</i>
RENEE RAMPULLA <i>Rampulla Advisory Services, LLC</i>	to succeed	BARBARA L. MONTOUR <i>St. Regis Mohawk Tribe</i>
MICHAEL M. TODRES <i>Todres & Company, LLP</i>	to succeed	MARK WEG <i>Daszkowski, Tompkins, Weg & Carbonella, P.C.</i>

DIRECTORS AS CHAPTER REPRESENTATIVES: to hold office for three years, from June 1, 2016:

MID HUDSON

TRACEY J. NIEMOTKO <i>Mount Saint Mary College</i>	to succeed	TRACY D. TARSIO <i>Day Seckler LLP</i>
--	-------------------	--

NORTHEAST

KEVIN P. O'LEARY <i>Marvin and Company</i>	to succeed	BETH VAN BLADEL <i>BvB Solutions</i>
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QUEENS/BROOKLYN

EDWARD F. ESPOSITO <i>Edward F. Esposito, CPA/ABV, CFE</i>	to succeed	MARK M. ULRICH <i>St. John's University</i>
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ROCKLAND

MITCHELL A. DAVIS <i>Grassi & Co.</i>	to succeed	MICHAEL E. MILISITS <i>Hunter Group CPA LLC</i>
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UTICA

BRIAN M. REESE <i>Fitzgerald, DePietro & Wojnas CPAs, P.C.</i>	to succeed	DAVID J. WOJNAS <i>Fitzgerald, DePietro & Wojnas CPAs, P.C.</i>
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ALL OF THE NOMINEES HAVE CONSENTED TO SERVE IF ELECTED.

Joseph M. Falbo, Jr., 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 2017:

GREGORY J. ALTMAN, *Health Sciences Charter School*
PAUL E. BECHT, *Baker Tilly Virchow Krause, LLP*
SUSAN M. BAROSSO, *PKF O'Connor Davies*
ANTHONY S. CHAN, *CA Global Consulting Inc.*
HAROLD L. DEITERS III, *Baker Tilly Virchow Krause, LLP*
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JOHN S. SHILLINGSFORD, *Albrecht, Viggiano, Zureck & Company, P.C.*
DAVID G. YOUNG, *Young & Company CPAs, LLP*
F. MICHAEL ZOVISTOSKI, *UHY LLP*

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JACK M. CARR, *Bailey, Carr CPAs, PC*
ELLIOT L. HENDLER, *Retired*
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JANEEN F. SUTRYK, *Piaker & Lyons*

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RESPECTFULLY SUBMITTED,
 2015–2016 Nominating Committee

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BARBARA E. BEL
SHARI E. BERK
MELISSA L. HICKS
EDWARD N. LEE
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BARBARA A. MARINO
THOMAS S. PIRRO
AMANDA L. SEXTON

OFFICERS: To hold office for one year, from June 1, 2016



PRESIDENT-ELECT
HAROLD L. DEITERS III, Partner, Baker Tilly Virchow Krause, LLP, Melville, N.Y. Member of the Society since 1998; member of the Suffolk Chapter. **STATEWIDE:** Current President-elect of the Foundation for Accounting Education Board of Trustees. Past Vice President and Director-at-Large of the Board of Directors. Past member of the Executive Committee. Current member of the Business Valuation and Finance committees. Past member of the Awards, Relations with the Legal Community and Member Benefits committees. Past member of the Dues Restructuring Task Force. **CHAPTER:** Past Suffolk Chapter President, President-elect, Vice President, Treasurer and Executive Board member. Past Chair of the Suffolk Chapter Public Relations and Cooperation with Attorneys committees. Past Cochair of the Suffolk Chapter NextGen Committee.



VICE PRESIDENT
GREGORY J. ALTMAN, Director of Finance and Operations, Health Sciences Charter School, Buffalo, N.Y. Member of the Society since 1989; member of the Buffalo Chapter. **STATEWIDE:** Past Director as a Chapter Representative for the Buffalo Chapter on the Board of Directors. Past member of the Executive Committee. Past member of the Membership and Awards committees. Past member of the Chapter Task Force. **CHAPTER:** Past Buffalo Chapter President, President-elect, Treasurer and Executive Board member. Current member of the Buffalo Chapter Cooperation with Educational Institutions, Audit and Accounting and Tax committees. Current member of the Buffalo COAP Advisory Board.



VICE PRESIDENT
SUSAN M. BAROSSI, Partner, PKF O'Connor Davies, Harrison, N.Y. Member of the Society since 1992; member of the Westchester Chapter. **STATEWIDE:** Past Director-at-Large on the Board of Directors. Current member of the Public Schools, Government Accounting and Auditing and Sustainability committees. Past Chair of the Public Schools Committee. Past member of the Accounting and Auditing Oversight, Advancement of Women in the Accounting Profession, Audit, COAP Fundraising, Firm Coordinators, Industry Oversight, Nominating and Not-for-Profit Organizations committees. Past member of the Task Force on Government Audit Quality.



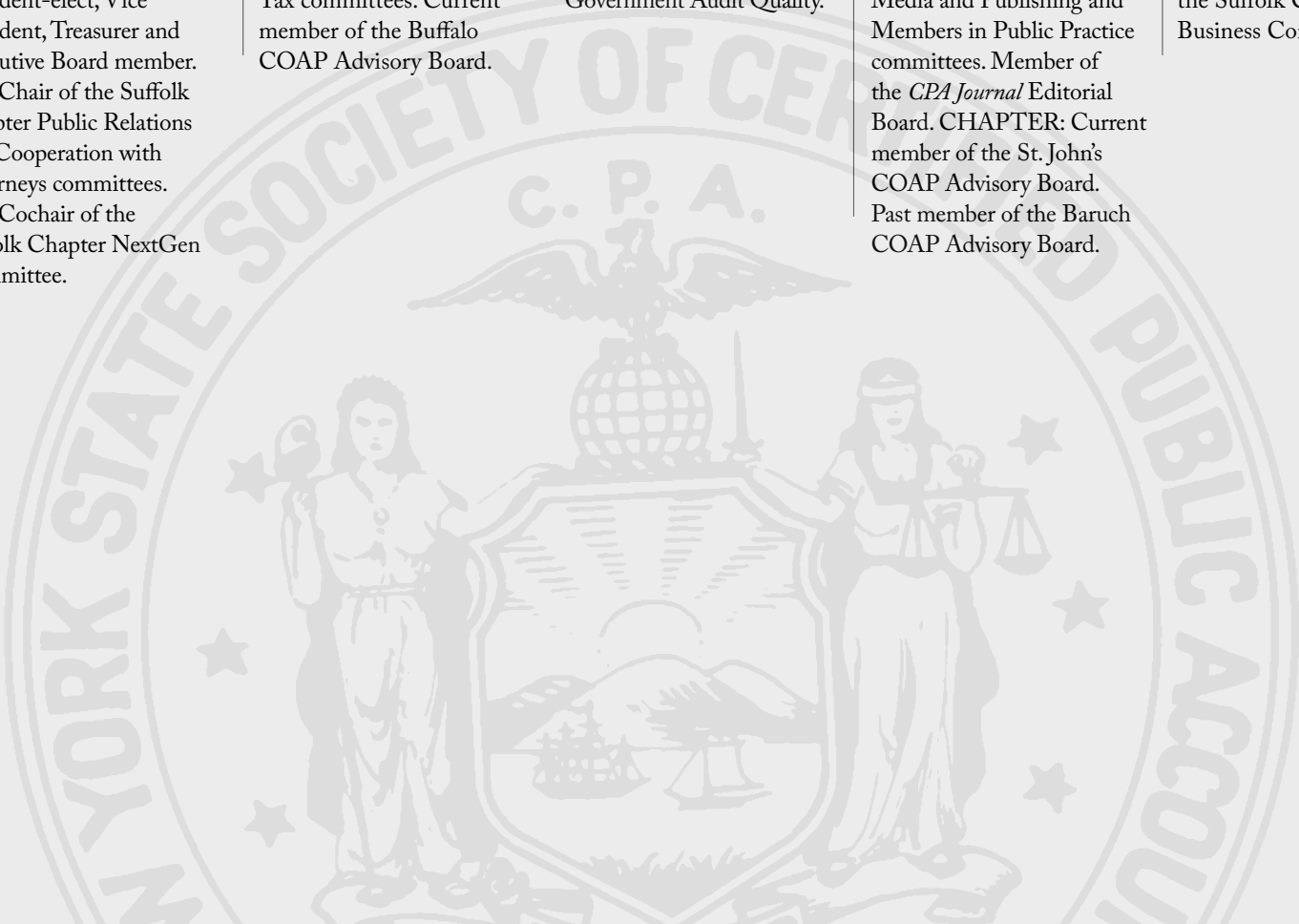
VICE PRESIDENT
ANTHONY S. CHAN, President, CA Global Consulting Inc., Flushing, N.Y. Member of the Society since 1989; member of the Manhattan/Bronx Chapter. **STATEWIDE:** Current Director-at-Large on the Board of Directors. Past member of the Executive Committee. Past member of the Nominating Committee. Past member of the Governance and Selections subcommittees. Past Chair of the Internal Audit, SEC and Young CPAs committees. Current member of the Chief Financial Officers, Internal Audit and SEC committees. Past member of the Taxation of Mergers and Acquisitions, Industry Oversight, Accounting and Auditing Oversight, Media and Publishing and Members in Public Practice committees. Member of the *CPA Journal* Editorial Board. **CHAPTER:** Current member of the St. John's COAP Advisory Board. Past member of the Baruch COAP Advisory Board.



VICE PRESIDENT
JOHN S. SHILLINGSFORD, Partner, Albrecht Viggiano Zureck & Company, P.C., Hauppauge, N.Y. Member of the Society since 1994; member of the Suffolk Chapter. **STATEWIDE:** Past Director as a Chapter Representative for the Suffolk Chapter on the Board of Directors. Past member of the Executive Committee. Past member of the Nominating Committee and Strategy Task Force. **CHAPTER:** Past Suffolk Chapter President, President-elect, Vice President, Treasurer and Executive Board member. Past Chair of the Suffolk Chapter Sponsorship, Nominating and Management of an Accounting Practice committees. Past member of the Suffolk Chapter Small Business Committee.



SECRETARY/TREASURER
JOHN J. LAUCHERT, CFO, Horizon CFO LLC, Clinton, N.Y. Member of the Society since 1981; member of the Utica Chapter. **STATEWIDE:** Current Secretary/Treasurer on the Board of Directors. Current member of the Executive Committee. Past Vice President and Director on the Board of Directors. Current member of the Foundation for Accounting Education Board of Trustees. Past President and President-elect of the Foundation for Accounting Education Board of Trustees. Current Chair of the Finance Committee. Current member of the Chief Financial Officers and Bankruptcy and Financial Reorganizations committees. Past Chair of the Bylaws Revision Task Force. Past member of the Audit, Awards, Financial Executives in Closely Held Companies, Hospitality, Industry Oversight, Membership, Nominating Committee Petitioners, Nominating, Not-for-Profit Organizations and Quality Enhancement Policy committees. **CHAPTER:** Past Buffalo Chapter Executive Board member. Past Chair of the Buffalo Chapter Members in Industry Committee. Past Utica Chapter Executive Board member. Past Chair of the Utica Chapter Industry Committee. Past member of the Syracuse COAP Advisory Committee.



DIRECTORS-AT-LARGE: To hold office for three years, from June 1, 2016



SOL S. BASILYAN, Tax Director, PricewaterhouseCoopers LLP, New York, N.Y. Member of the Society since 2008; member of the Manhattan/Bronx Chapter. STATEWIDE: Current member of the Partnerships and LLCs and Taxation of Financial Instruments and Transactions committees.



SALVATORE A. COLLEMI, Owner, Collemi Consulting & Advisory Services, LLC, Morganville, N.J. Member of the Society since 1998; member of the Manhattan/Bronx Chapter. STATEWIDE: Current Chair of the International Accounting and Auditing Committee. Current Vice Chair of the Member Relations Committee. Current member of the Accounting and Auditing Oversight and FAE Curriculum committees. Past member of the Professional Ethics Committee.



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



RENEE RAMPULLA, President and Owner, Rampulla Advisory Services, LLC, Staten Island, N.Y. Member of the Society since 1992; member of the Staten Island Chapter. STATEWIDE: Current Chair of the Professional Ethics Committee. Current member of the Financial Accounting Standards Committee. Current member of the CPA Exam Task Force. Past Chair of the Nominating Committee. Past Vice Chair of the Professional Ethics Committee. CHAPTER: Current Staten Island Chapter Vice President. Past Staten Island Chapter Executive Board member.



MICHAEL M. TODRES, Partner, Todres & Company, LLP, Westbury, N.Y. Member of the Society since 1974; member of the Nassau Chapter. STATEWIDE: Current Vice President on the Board of Directors. Current member of the Executive Committee. Past Chair of the Management of an Accounting Practice Committee. Past member of the Community Affairs, Continuity of Practice, Cooperation with Commercial Credit Grantors, Cooperation with the Financial Media, Entertainment and Sports, Large and Medium-Sized Firms Practice, Local Practitioners and Small Firms and Public Relations committees. CHAPTER: Past Chair of the Manhattan/Bronx Chapter Cooperation with Bankers and Other Credit Grantors Committee.

DIRECTORS AS CHAPTER REPRESENTATIVES: To hold office for three years, from June 1, 2016



TRACEY J. NIEMOTKO, Professor of Accounting and Chair of the School of Business, Mount Saint Mary College, Newburgh, N.Y. Member of the Society since 1991; member of the Mid Hudson Chapter. STATEWIDE: Current member of the Public Sector Oversight Committee. Past Chair of the Academic Advancement and Higher Education Committee. Past member of the Awards and Members in the Field of Education committees. CHAPTER: Past Mid Hudson Chapter President, Vice President, Secretary and Executive Board member. Past member of the Mid Hudson Chapter Budget and Cooperation with Education committees. Current member of the New Paltz COAP Advisory Board.



KEVIN P. O'LEARY, Director, Marvin and Company, Latham, N.Y. Member of the Society since 2000; member of the Northeast Chapter. CHAPTER: Past Northeast Chapter President, President-elect, Vice President, Secretary and Treasurer. Past Chair of the Northeast Chapter NextGen Committee. Past member of the Northeast Chapter Cooperation with Educators and Golf Outing committees.



MITCHELL A. DAVIS, Manager, Grassi & Co., New City, N.Y. Member of the Society since 2002; member of the Rockland Chapter. STATEWIDE: Current member of the Accounting and Review Services Committee. Past member of the Awards Committee. CHAPTER: Current Rockland Chapter Executive Board member. Past Rockland Chapter President, President-elect, Secretary and Treasurer.



BRIAN M. REESE, Supervisor, Fitzgerald DePietro & Wojnas CPAs, P.C., Utica, N.Y. Member of the Society since 2004; member of the Utica Chapter. STATEWIDE: Past member of the NextGen Committee. CHAPTER: Current Utica Chapter Immediate Past President. Past Utica Chapter President, President-elect and Treasurer. Past Chair of the Utica Chapter Tax Panel. Past Chair of the Utica Chapter CPE Committee. Past Cochair of the Utica Chapter NextGen Committee.



EDWARD F. ESPOSITO, Sole Practitioner, Edward F. Esposito, CPA/ABV, CFE, Brooklyn, N.Y. Member of the Society since 1986; member of the Queens/Brooklyn Chapter. STATEWIDE: Current Chair of the Business Valuation Committee. Current member of the Consulting Services Oversight Committee. Past member of the Awards, Litigation Services and Personal Financial Planning committees. Past member of the Political Action Committee. CHAPTER: Current Queens/Brooklyn Chapter Immediate Past President. Past Queens/Brooklyn Chapter President, President-elect and Vice President. Current Chair of the Queens/Brooklyn Chapter Sponsorship Committee. Past Chair of the Queens/Brooklyn Chapter Meetings Committee. Past Cochair of the Queens/Brooklyn Chapter MAP Committee. Past Staten Island Chapter Executive Board member.

PROPOSED AMENDMENT TO THE SOCIETY'S BYLAWS

In accordance with Section XIV of the Society's Bylaws, the proposed amendment must be authorized by a two-thirds majority of the votes cast at a meeting of the members of the Society.

TEXT WITH REVISIONS

ARTICLE I — MEMBERSHIP

(5) Associate Industry/Non-CPA Employee. A person not employed in a CPA firm, but whose employment may include but is not limited to industry, government, a not-for-profit organization, an educational institution, or a business entity other than a CPA firm or a company described in sub-paragraph (4) of this paragraph, who has a bachelor's degree and works full time (at least 30 hours per week) in any of the following categories who works under the supervision of a CPA, and who provides or facilitates accounting services or advice to one's employer or to the client(s) of one's employer in any and all matters related to accounting, financial, management, tax, or consulting services, or the recording of financial data or information or the preparation or presentation of financial statements, shall be eligible to apply for membership as an associate industry/non-CPA employee:

- (a) as an educator teaching accounting or accounting-related courses at an educational institution, college or university; or
- (b) as a non-CPA professional working for the government, industry, non-profit organization, financial, legal or banking services.

Such membership shall terminate at the end of the Society's next fiscal year immediately following such time as the employment relationship terminates.

(6) Academic associate. A member of the faculty of a college or university offering academic credit that qualifies toward meeting the curriculum requirements necessary to take the CPA examination in a U.S. jurisdiction who teaches accounting, auditing, or taxation shall be eligible to apply for membership as an academic associate. Such membership shall terminate at such time as the member's status as a member of the faculty terminates.

(b) All associate members must be sponsored by at least one CPA member, except that student members may substitute the endorsement of an accounting department professor for CPA member sponsorship.

(c) From time to time, the Board shall establish the criteria by which associate members evidence their qualification for membership.

(d) Associate members shall not have the right to vote on issues requiring the vote of the Society's membership.

(e) Associate members shall not be eligible to serve in the following capacities:

- | | |
|---|--|
| (1) Director. | (5) Chapter officer. |
| (2) Officer. | (6) Committee chairperson, unless the Board acts to provide that an associate member may serve as chairperson for a specified committee. |
| (3) Member of the nominating committee. | |
| (4) Member of the audit committee. | |

(f) Except as otherwise provided herein, an associate member is eligible for all Society services and benefits.

FINAL TEXT

ARTICLE I — MEMBERSHIP

(5) Associate Industry/Non-CPA Employee. A person not employed in a CPA firm or a company described in sub-paragraph (4) of this paragraph, who has a bachelor's degree and works full time (at least 30 hours per week) in any of the following categories shall be eligible to apply for membership as an associate industry/non-CPA employee:

- (a) as an educator teaching accounting or accounting-related courses at an educational institution, college or university; or
- (b) as a non-CPA professional working for the government, industry, non-profit organization, financial, legal or banking services.

Such membership shall terminate at the end of the Society's next fiscal year immediately following such time as the employment relationship terminates.

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| (4) Member of the audit committee. | |

(f) Except as otherwise provided herein, an associate member is eligible for all Society services and benefits.

Bylaws

Continued from front page

unlicensed accountants in all areas of practice except financial statement audits, but “the public doesn't understand all of this.”

“I think, in some ways, we should make the CPA license more restrictive rather than less restrictive,” he said. “I just don't see the advantage to this. The only advantage I see is the dues dollars.”

“I don't [believe] we're watering down the three initials,” Falbo responded. “One of the things I'm most proud about our state society—we always, always strive to meet the highest level of quality. I don't [believe] we'll allow these associate members any

slack in that area”; to the contrary, he added, they will be subject to the Society's Code of Professional Conduct.

Other professional associations, such as the American Bar Association, and other CPA societies, already make available the type of associate membership category that the Society is proposing. The AICPA is also moving forward with a similar membership category for non-CPAs in management accounting. Some NYSSCPA board members said they currently belong to these other organizations as associate members.

“I'm an associate member of the Connecticut Bar Association, Bankruptcy

Section,” said **M. Jacob Renick**. “My dues are reduced. I can attend conferences, meetings. I can't vote, but I can buy publications at a discount.”

If the membership at large approves the proposal, the Society's Code of Professional Conduct, which potential members must agree to abide by when they apply for membership in the NYSSCPA, will be reviewed and revisions proposed for the new category of members, Falbo said.

Because revisions to the bylaws require approval by two-thirds of a general membership vote, a proxy ballot that features the proposed change and the slate of 2016–

2017 board and officer nominees has been sent to the membership (through email to those who have provided the Society with an email address and through the U.S. mail to those who have not). To read the rule change in its entirety, see above.

Bylaws changes approved by the membership will go into effect immediately following the May 19, 2016, Annual Election Meeting, which this year will coincide with the NYSSCPA's inaugural Moynihan Fund Gala in New York City. Tickets are available at moynihanfundgala.eventbrite.com.

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Large partnerships

Continued from front page

labor-intensive. With hundreds of partners' returns requiring adjustment, the costs involved limited the number of audits the IRS could conduct. Adjusting the partners' returns would reduce these costs but, without legislative action, the IRS's ability to do so was limited.

Even if the audit were successfully completed and an adjustment identified, apportioning the liability among the partners was often an exercise in frustration, as Forms 1065, Schedule K-1s and partners' 1040s must be linked together in a process that the Government Accountability Office (GAO) considered “largely manual and paper driven.”

The budget act, which was signed into law last November, is an attempt to ameliorate these problems by considering the partnership as a single entity responsible for the tax, at least in firms of 100 or more partners.

Benjamin Beskovic, a member of the Partnerships and LLCs Committee who specializes in partnership taxation matters,

said, “This is, to be honest, a huge change.” He offered the example of someone who was a partner for five years and then left the firm. The IRS audits that partnership and makes adjustments for the years that person was a partner.

“They're not going after me anymore—the adjustment is made at the partnership level, so there will probably be a whole lot of dealings between partnerships and its partners. Probably, the operating agreements will need to be amended, specific language has to be put in place possibly—I mean, how does the partnership get that money from me, since I am no longer a partner but the current partners are on the hook for putting up that adjustment?” he said.

Eric Kea, another specialist in partnership taxation, had a more subdued reaction.

“A bunch of my clients that are partnerships, after these articles came out, said, ‘How will this impact us?’ and the response is not much at all, other than, in theory, there will be more partnership audits. But that's in theory, and we'll see what happens,” he said.

He pointed out that the law has many exceptions written into it. Those with fewer than 100 partners can opt out of the new rules, in which case the partnership and partners would be audited under the general rules applicable to individual taxpayers, according to the congressional summary of the bill. The partnership can also ask to change the adjustment, based on partner-specific information, such as who a partner is (for example, a partner might be a tax-exempt organization), or what kind of income is subject to the adjustment, whether ordinary, dividends or capital gains.

“This means the IRS has to look at the makeup of the partners, take into account how much income would have to be allocated to them, and then adjust the audit results,” Kea said. “This is counterintuitive to what the law was supposed to do. It is generally believed by practitioners that a big reason why the IRS doesn't audit partnerships is because they do not understand partnerships and cannot handle difficult allocation provisions of agreements.”

Jorge L. Otoya, another member of the Partnerships and LLCs Committee with experience in complex partnership transactions, felt it would be impractical for a large partnership to use a lot of these exceptions. In order for these exceptions to apply, he said, the partners are going to have to amend their partnership returns.

“Having 1,000 partners amend their return...just doesn't make sense. It's just not going to happen. So from a practical perspective, I don't think those exceptions really help large partnerships, and that's the reason why this bill is scored as a revenue raiser,” he said.

According to WhiteHouse.gov, that newly tapped revenue could amount to \$11 billion over the next 10 years.

Even the size exception may not be much of a relief, said Otoya, if one of the partners happens to be a part of a large partnership subject to the new law, the exception may not apply.

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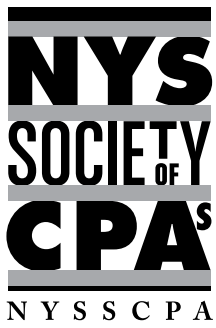
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Mervyn E. King

The godfather of sustainability reporting

By CHRIS GAETANO
Trusted Professional Staff

Mervyn E. King is one of the world's pre-eminent experts on corporate governance. Prior to his work on South Africa's King Committee in 1994, sustainability reporting didn't really exist. He's traveled the world—39 countries to be exact—lecturing on the topic and is associated in numerous ways with several other organizations including the Commonwealth Association of Corporate Governance, the World Bank and the United Nations. King is the former chair of the International Integrated Reporting Council (IIRC) and of the Global Reporting Initiative (GRI), and has been a relentless advocate of the sustainability reporting movement. King took the time to talk to the NYSSCPA in advance of his appearance at the Foundation for Accounting Education's Sustainability Investment Leadership Conference on May 6 in New York City. For more information, or to register for the conference, visit nysscpa.org/sustainability16.

When and why did the concept of corporate sustainability attract your attention?

The question of sustainability in regard to corporations attracted my attention with the realization that the market capitalization of companies on the great stock exchanges of the world was made up of a greater amount of intangible assets than tangible assets, which were additives in financial statements, according to financial reporting standards.

When you talk about corporate sustainability, how are you defining the word "sustainable" in your mind?

"Sustainable" for corporations is used in its morphed sense. In its primary sense, it means maintaining something, but the word is now also being used in the context of sustainable capitalism, that is, the creation of value but in a sustainable manner, meaning enhancing the positive impacts of how the company makes its money on society and the environment, and eradicating or ameliorating the negative impacts.

You've overseen the development of King I, King II and King III reports. If you were to write a King IV, what direction would it take?

The King Committee issued a draft for public comment for the next two months on King IV. The direction we have taken in King IV is principles that every organization should adopt if they want to practice quality governance, and using practices and making disclosures to achieve these principles. This should result in four critical outcomes, namely ethical culture, adequate and effective controls, performance and value creation in a sustainable manner, and trust and confidence in an organization by its

stakeholders, [in] its good reputation and legitimacy.

What do you think are the three biggest challenges for corporate sustainability, going forward?

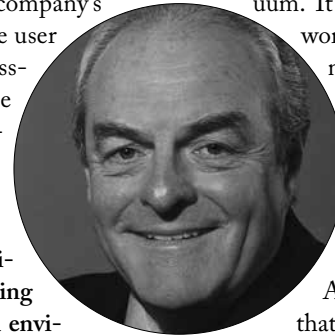
The biggest challenge for sustainability is for leadership, namely the governing body or the board of a company, to appreciate that it has to change its corporate toolbox. It can no longer use the same tools in developing strategy or in steering the direction of a business in the very changed world of the 21st century. We have population explosion, radical transparency and an increased demand for product because of increased population. Yet, finite assets are being used faster than nature is regenerating them. Consequently, carrying on business as usual is not an option. The challenge is a change of the col-

lective mindset of the board in appreciating that it has to take account of all the resources or capitals used by a company and the ongoing relationship between the company and its stakeholders in developing strategy. The sustainability issue pertinent to the business of the company—such as water is to a beverage manufacturer—should be embedded into its long-term strategy.

How much of sustainability reporting is about measuring the impact of companies on environmental or societal matters, and how much of it is about helping investors make better financial decisions?

Sustainability results in informing the user, such as an investor, of the so-called

material financial information from the financial statements and the material sustainability issues from the sustainability report and explain them in clear, concise and understandable language in the company's integrated report, so that the user can make an informed assessment that the business of the company will maintain value creation in a sustainable manner in the long term.



ue of a company. A country's politics is not relevant. What is relevant is the tone at the top. There has to be leadership that accepts that a company does not operate in a vacuum. It is operating in the changed world of the 21st century, where natural assets are being used faster than nature is regenerating them. In that context, as Paul Polman of Unilever has said, we cannot carry on business as usual. We have to carry on business as unusual. Any board that does not do that in the changed world of the 21st century is, in my view, failing in its duty of care to the company.

When it comes to auditing sustainability information, what are some challenges that auditors may face that are unique to sustainability, vs. purely financial reporting?

The internal auditor plays a huge role in the assurance of so-called nonfinancial reporting aspects. The [Institute of Internal Auditors] has set very high standards for its members, and I refer you to the IIA's report on Clorox.

The International Auditing and Assurance Standards Board [IAASB] is focused on financial reporting. There is no international standard on sustainability reporting. That is why the independence of the corporate auditing executive, or the head of internal audit, is becoming more and more critical. The assurance by the head of internal audit is important in preparing an integrated report in clear, concise and understandable language, and not in IFRS [International Financial Reporting Standards] or GRI speak.

What are things that CPAs should press for disclosure on in the financials?

Chief financial officers, who are usually CPAs, should, in my judgment, become known as chief value officers. The chief financial officer today, of necessity, is starting to look at value creation through the prism of the six capitals contained in the IIRC Framework. The financial statements, according to FASB standards or IASB standards, can be put online on a company's website. The collective mind of the board has to spend more time understanding those statements and taking out the material financial information, defined as that information which could impact on value creation, in a sustainable manner, and place it in the integrated report in clear, concise and understandable language, not in FASB or IASB speak, which is not understood by 99 percent of users.

"There has to be leadership that accepts that a company does not operate in a vacuum. It is operating in the changed world of the 21st century..."

—Mervyn E. King

There are a number of different bodies that aim to promote corporate sustainability reporting in different ways, among them being the GRI, the IIRC and the SASB [the Sustainability Accounting Standards Board]. To what degree do these different visions compete, and to what degree do they complement each other?

The GRI and the SASB deal with sustainability reporting. The IIRC Framework deals with value creation reporting which embraces both financial and sustainability aspects. The financial statements have to be reported as a matter of law, and most companies today do sustainability reports, whether it is a hybrid form of the GRI Guidelines and the SASB Guidelines, following one or the other. The collective mind of the board must extract the mate-

rial financial information from the financial statements and the material sustainability issues from the sustainability report and explain them in clear, concise and understandable language in the company's integrated report, so that the user can make an informed assessment that the business of the company will maintain value creation in a sustainable manner in the long term.

Do you see sustainability ever being integrated into mainstream accounting standards-setting bodies like the IASB [International Accounting Standards Board] and FASB [the Financial Accounting Standards Board], or does sustainability reporting need to stand on its own, separate from purely financial reporting?

Sustainability reporting is more guidelines than standards. Notwithstanding, [the International Federation of Accountants] has appreciated that the so-called nonfinancial assets can be absolutely detrimental to the so-called financial assets. The question to ask is, "Shouldn't assets merely be described as such and not with a designation 'financial' or 'nonfinancial'?" For example, the evidence that a product is being made by child labor would absolutely destroy the financial val-

NYSSCPA launches Sustainability Committee

By CHRIS GAETANO
Trusted Professional Staff

What exactly is sustainability, and why should CPAs care about it? Those were two questions Renee Mikalopas-Cassidy, chair of the NYSSCPA's new Sustainability Committee, posed to its more than 40 members at its inaugural meeting in January. Committee members ranged from people who were interested in corporate sustainability but wanted to learn more about it, Mikalopas-Cassidy said, to people like herself who have a background in the topic.

"We're still feeling out what people know and don't know, and what they're interested in," Mikalopas-Cassidy said, in an interview before the committee's first meeting.

And that's important, she said, since, like many other CPAs who have been watching sustainability evolve from an environmentalist's buzzword into a new method of management accounting, the committee's work has the potential of having an impact on not only how the term is defined, but also on how it's implemented.

"Right now, it is very evolving, and unless you've been in a multinational big company, by and large, you probably haven't seen a lot of this," she added.

Mervyn E. King, who has been an active and primary advocate of sustainability accounting since the early 2000s, defined sustainability in a recent interview with the NYSSCPA in this way: "Sustainable' for corporations is used in its morphed sense. In its primary sense, it means maintaining something, but the word is now also being used in the context of sustainable capitalism, that is, the creation of value but in a sustainable manner—meaning enhancing the positive impacts of how the company makes its money on society and the environment, and eradicating or ameliorating the negative impacts."

Since the committee is addressing a very broad and somewhat nebulous topic, Mikalopas-Cassidy focused the committee's first meeting on how CPAs can take a leadership role in this new method of management accounting.

"This is something that, whether you're in public or private accounting, you need to be aware of and have an understanding of what its impact is," she said.

In an effort to tackle a lot of ground quickly, Mikalopas-Cassidy said the committee formed six subcommittees, including SEC Sustainability Disclosures, GAAP/IFRS/AICPA Sustainability, SASB Development, Evolving Legal Matters, Evolving Educational Matters in Sustainability, and Sustainability 101. She also remarked that the committee might create others in the future, since there was also interest in addressing tax and regional issues through the lens of sustainability.

The second meeting, which took place on March 8, was devoted to examining the types of things that sustainability reporting looks at and measures. Using PepsiCo's Global Reporting Initiative (GRI) report, *Performance with Purpose*, as an example, Mikalopas-Cassidy said the committee

examined how the company disclosed its environmental, social and labor impact.

Beyond discussing how the CPA profession can influence the corporate sustainability world, the committee will also focus on how concepts in corporate sustainability are germane to the profession. For example, committee member Edward Mendlowitz, who is on the Sustainability 101 Subcommittee, said that many large corporations have published sustainability reports that explain their activities and their impact on the environment. Someone has to prepare these reports, he said, and accountants should be the ones to do it. Currently, this role differs based on the particular corporation. In some companies, marketing and communications personnel handle the compiling of these reports. Past the numbers, he said that CPAs should also be able to write the narrative aspects of the report as well, adding that it falls well within their skill set.

"We write all the notes to the financial statements," he said.

Mendlowitz compared sustainability to transfer price studies, which quickly became a very lucrative field for CPA firms that had positioned themselves on the ground floor as the ones who should be doing them. This is why he feels it's especially important for younger people to take an interest in corporate sustainability, saying that it's a tremendous opportunity for young professionals.

Another committee member, Frank J. Aquilino, an associate professor at Montclair State University and also a member of the Sustainability 101 Subcommittee, agreed.

"The people out there now, professionally, are not used to this, but if the younger people are educated [in] it from the get-go at the college level, they will come out [prepared for it]," he said.

This is why he felt it was imperative that accounting education programs work sustainability into their curriculums at both the graduate and undergraduate levels. While he has made efforts to do that at his own institution, he remarked that he felt frustrated by a lack of dedicated teaching material, which makes it hard to communicate the core concepts to his students.

"Right now, the only way to do it is having them do outside research and read articles concerning it and write a report and discuss how it impacts different companies," he said.

In response to this dearth of educational material, Mikalopas-Cassidy said that the Sustainability 101 Subcommittee has begun to develop a CPE program that goes over the fundamentals of sustainability reporting. While it will eventually be presented at a future meeting, she said that it is meant to be a stand-alone unit that can be presented anywhere.

Once the committee develops a regular rhythm, Mikalopas-Cassidy said that she'd like meetings to focus on a combination of subcommittee reports, which will cover the more general topics, and speakers, who can do deep dives into specialized areas.

The committee is also helping to coordinate the Foundation for Accounting Education's

(FAE) First Annual Sustainability Investment Leadership Conference, which is scheduled for May 6. The all-day event will feature talks and panelists including King himself; AICPA CEO Barry C. Melancon, who currently chairs the International Integrated Reporting Council, a position previously held by King beginning in 2010 as founding chair; founding chair of the Sustainability Accounting Standards Board Robert G. Eccles; and Jane Gleeson-White, whose book *Six Capitals: The Revolution Capitalism Has to Have—or Can Accountants Save the Planet?*

called for a holistic approach to corporate sustainability. NYSSCPA Executive Director and CEO Joanne S. Barry is also slated to speak at the conference.

The committee's next meeting is scheduled for June 9, the start of the next fiscal year. Members interested in joining the Sustainability Committee or attending its next meeting should email Nereida Gomez, Manager, Committees, at ngomez@nysscpa.org.

cgaetano@nysscpa.org

Know your sustainability reporting bodies

Global Reporting Initiative

The Global Reporting Initiative (GRI) is an international, independent organization that provides resources for companies to report on sustainability issues such as climate change, human rights and corruption. Its G4 (the GRI's most up-to-date guidelines) framework is stakeholder-oriented, guided by a belief that public interest should drive every decision an organization makes.

International Integrated Reporting Council

The International Integrated Reporting Council (IIRC) is a global coalition of regulators, investors, companies, standards setters, the accounting profession and NGOs (nongovernmental organizations). Its <IR> (integration responsiveness) framework is investor- and entity-focused, aimed at improving the quality of information available to providers of financial capital, in order to enable a more efficient and productive allocation of resources. Its main context is primarily for-profit, private-sector companies.

Sustainability Accounting Standards Board

The San Francisco-based Sustainability Accounting Standards Board (SASB) develops sustainability accounting standards, which it contrasts with the guidelines or frameworks of other organizations. It provides industry-by-industry standards focused specifically on the U.S. public equity market, designed for concise or integrated disclosure in Form 10-K or 20-F filings. The standards are meant to allow entities to measure and disclose nonfinancial risks and opportunities that affect corporations' ability to create long-term value.

Conference explores state nexus issues for foreign companies

By CHRIS GAETANO
Trusted Professional Staff

For an overseas company looking to expand to the United States, complying with the federal government's myriad rules and regulations requires an expert's help. But when combined with the task of doing the same thing on the state and local level, foreign companies often find themselves at a loss, according to two speakers at the NYSSCPA's International Taxation Conference on Jan. 28.

Speaking at the New York City Bar Association, **Barry H. Horowitz** and John Daly, both tax specialists at their New York City-based firm, talked about some of the major pitfalls that non-U.S. companies encounter when it comes to state and local regulations.

Among the most common issues was that of nexus—that is, determining which jurisdictions are owed tax payments. Since most countries use “permanent establishment,” where taxes are owed based on a company's fixed place of business, Daly said foreign companies often have trouble wrapping their minds around the concept of nexus, which varies from state to state.

“It's a fixed place of business that created permanent establishment, which means you have to file federal income tax there,” he said.

Because of this conceptual gap, many companies think they don't have to pay taxes as long as they don't have a permanent establishment in that jurisdiction. As a result,

they find themselves tripped up by nexus rules, which allow a state to levy tax even if the business has no physical presence. Horowitz pointed out that nexus is particularly relevant in an age where more and more business is done through the Internet.

“I have someone sitting at home working on a computer working for us” in Wyoming, Horowitz used as an example. “Well, you've got nexus in that state, you've got a presence in that state. I've got a server in Wyoming. So, you know what? I have nexus in Wyoming,” said Horowitz.

Making things more complicated is that server access also plays a role in determining nexus. For instance, nexus can be established if a company is leasing a server, but not if a company is sharing it with other people because, in that case, the business is just using a hosting service.

Horowitz also said more states are adopting a concept called “economic nexus,” which has less to do with where a company is located and more to do with where its customers are. New York state itself adopted economic nexus standards in its recent corporate tax reform. Under the new rules, if a company has \$1 million of market-based receipts in New York, then it is considered to have nexus there and, thus, owes the state taxes on those receipts. Daly said the concept can give even Americans headaches “because [there are] so many different sets of rules.”

Daly asked the audience to consider a company based in the United Kingdom, dealing with economic nexus rules in

California and Connecticut. If a foreign corporation sells more than \$536,000 worth of goods and services in California online, then, according to Daly, “California, if they ever wanted to, could go after the company and say, ‘You owe us a tax return.’” By contrast, he said, Connecticut's economic nexus rules do not apply to foreign corporations at all, unless the income is effectively connected with a U.S. trade or business.

Another area that often trips up foreign businesses trying to set up in the United States is filing a combined return. A company may not have any dealings in the United States, but if a company that it owns does, it may need to file anyway. Say there's a corporation that has

more than 50 percent ownership of another (Daly pointed out that this is the most common control threshold). If the other corporation files in a state with a consolidated filing requirement, then the parent corporation might owe taxes.

Horowitz advised that “structuring things correctly from day one is the most important thing.”

“You've got to ask your clients the right questions: What is your business? Where do you have people sitting? Where do you have people doing things? You could have someone going to a state just to solicit business, and [he or she] could be subject to tax. There's a lot of little traps no one looks at.”

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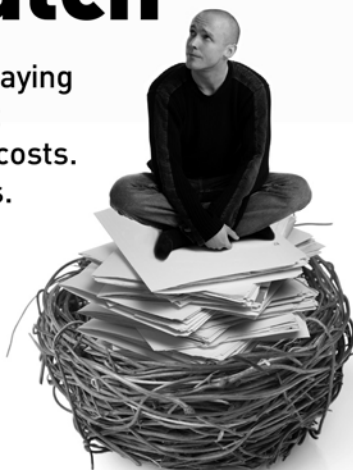
Nexus isn't the only thing frustrating foreign companies. Horowitz and Daly went over a few other issues that CPAs working with foreign clients need to be aware of at the state and local level. They include the following:

- **Filing a combined return:** A foreign company may not have any dealings in the United States at all, but if a company that it owns does, it may need to file anyway. If the second company files in a state with a consolidated requirement, then the first corporation might owe tax.
- **Joyce or Finnigan?** Whether your client operates in a *Joyce* or *Finnigan* state (which are named for two past court cases) will determine how liability is apportioned in cases of group nexus. In *Finnigan* states, any one company within the group having nexus means that the entire group is considered a single taxpayer. In *Joyce* states, however, each entity is regarded as a separate taxpayer, meaning that each needs to worry only if it has nexus there.
- **Local jurisdictions:** The idea that a municipality can levy its own taxes can come as a surprise to foreign companies. Sometimes, they're not even aware that they have to file New York City returns, for example.

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IRS improves phone support – sort of

Members share their tales from the front lines

By CHRIS GAETANO
Trusted Professional Staff

Hoping not to repeat last year's long wait times on hold and troubling disconnections, the IRS received \$290 million in December to put measures in place that will reduce wait times on the phone during tax season for members of the public and their CPAs.

The IRS used the funding, part of the Consolidated Appropriations Act of 2016, to hire 1,000 temporary workers to staff phone lines this tax season, as well as bolster identity theft and cybersecurity safeguards. The legislation did not specify how the funding would be distributed among these functions. It did, however, say that the \$290 million could not be used for any other purposes.

In the National Taxpayer Advocate's FY 2016 Objectives Report to Congress, released last July, IRS Commissioner John Koskinen was quoted as having characterized taxpayer services last filing season as "abysmal." The report said that the IRS was only able to answer 37 percent of calls, and those callers waited an average of 23 minutes on hold. This is in contrast to the 2014 filing season, which saw 71 percent of calls answered in an average of 14 minutes.

The difference is even more pronounced when compared with the 2004 filing season, where 85

percent of taxpayer calls were answered after an average wait time of three minutes.

With the additional staff now available to accommodate taxpayer inquiries, how is this year's service shaping up? We asked tax practitioners throughout the state what they thought:

Barry S. Kleiman, principal, Florham

"It's the same as last year, as slow as last year..."

—*Barbara E. Bel*

Park, N.J.: "The wait seems to be shorter both on the customer service line and the practitioner hotline. In some cases the practitioner hotline wait has gone from an hour or more to 30 to 40 minutes—even as little as 10 to 15 minutes. The service reps appear to be more receptive to assist. The identity theft area continues to be extremely helpful."

Robert J. Schaffer, public accounting staff, Hicksville: "The telephone service with the IRS has actually gotten worse. While the hold times are not terrible, I have heard static, have had several reps supposedly put me on hold and hang up on me, and have had numerous other times where I was on hold and then supposedly being connected

to a rep who can assist me and received a dial tone instead."

Robert S. Barnett, partner, Jericho: "From my perspective there are two issues. The first is the basic taxpayer interaction of answering the phone. This has gotten marginally better but the wait is still very long. Last year

the IRS was keeping taxpayers waiting, and then after over an hour, hanging up on the call. I think this has gotten better as I have not heard as many complaints. The bigger issue is taxpayer assistance, and in this regard, the landscape is still challenging. It is often necessary to engage [The Taxpayer Advocate Service] in order to have issues addressed."

Shari E. Berk, sole practitioner, New City: "It's easier to actually get through to them the last few months. ... Last year I was on hold and they said it would be between 30 to 60 minutes and you'd be on hold for an hour and a half. Compared to being on hold 10 to 15 minutes, it's a substantial change."

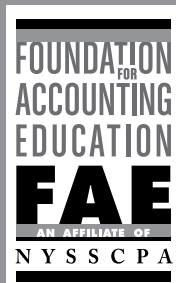
Heather M. Oboda, supervisor, White

Plains: "It was surprising. [The IRS hold message] said I was going to have a seven-minute wait and I literally had a seven-minute wait. So they're right on time and they have been superhelpful. I have not had any courtesy disconnects where you've been on hold for an hour and then say, 'We're going to hang up on you now.'"

Louis E. Feinstein, sole practitioner, Manhattan: "I've limited my use of the federal practitioner hotline given the long hold times experience. [But] I just tried it and was happy to hear that my hold time would be less than two minutes. It would be great if that is the new form."

Barbara E. Bel, partner, Harrison: "It's the same as last year, as slow as last year... What they do is tell us to call the tax practitioner hotline, but that's just as long a wait. One of my partners said the only time he gets through in less than an hour is when he calls at 7:30 in the morning. However, when I have spoken to agents, they are more willing to be helpful. And the big issue, a bunch of my clients have said, is when they call the IRS, they keep getting bounced around because the button they pushed turns out wasn't for the department they thought they were getting, and so once you're transferred, you're pushed back to ground zero."

cgaetano@nysscpa.org



THURSDAY, 5.26.16

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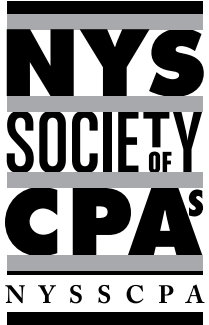
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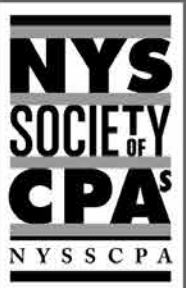
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RISK MANAGEMENT

War Story: Avoiding legal quicksand in the search for youth

By EMILY FRANCHI

Editor's Note: "War Stories" are drawn from the claims files of Camico, a CPA-directed insurer and risk management program for accountants, and illustrate some of the dangers and pitfalls in the accounting profession. All names have been changed.

The mid-sized CPA firm of Hitchens & Hyde (H&H) was interested in recruiting staff with better qualifications to take over some of the work being performed by the aging founders and partners, Harold Hitchens and Richard Hyde. Ideally, the new recruits would prove themselves worthy of being groomed for partnership, thereby enabling Hitchens and Hyde to transition into retirement.

Classified ads were not attracting enough qualified candidates, so Hitchens, following the example of some of the Big Four firms, posted ads on three of the major social media sites, indicating that the firm was seeking "young" talent interested in a career with the firm. As soon as the posts were sent out, another partner informed Hitchens that the word "young" implied discrimination against people on the basis of age, so Hitchens retracted the posts from the three sites and sent three new posts without the word "young" in them.

As a result of these ads, the firm hired two managers from two other CPA firms. The re-

cruits showed a lot of promise for the partner track. A few months later, however, the firm decided to dismiss two other middle-aged employees, who were less-than-productive and had never sufficiently developed their professional skills, according to the firm's standards.

Upon termination, the two sued the firm,

with the opportunities provided to the new hires. They also alleged that the firm had failed to engage them in an interactive process that would have provided them with the feedback necessary for them to recognize performance deficits, to improve performance and to meet the expectations of the partners.

A poorly written agreement can increase exposure and ultimately work against the employer.

alleging violations of the Age Discrimination in Employment Act of 1967 (ADEA). Despite the fact that Hitchens had retracted the earlier social media posts referring to "young" talent, the posts had already been forwarded by email from one of the H&H staff people to the other staffers. The older employees had kept a copy of the posts, in case H&H could be accused of age discrimination.

The two terminated employees also alleged that the firm had not provided them with enough training, mentoring and work opportunities to develop professionally, compared

The jury agreed with the allegations and awarded a verdict of \$2 million against the firm, which was ordered to repudiate the posts referring to "young" people and to inform all employees of the verdict.

Loss prevention tips

A firm's recruitment advertising should be reviewed in advance by human resources counsel for compliance with laws prohibiting discrimination on the basis of age, race, color, sex, religion, disability and other attributes in hiring, training, promoting and firing.

The firm must be able to clearly articulate a legitimate reason for selecting a particular employee for a work force reduction. If an employee can demonstrate discrimination based on a federal or state protection, the employer may be subject to a lawsuit, as well as severe fines and penalties.

Employers may consider providing employees with a financial severance package, which is contingent upon a signed release from the employee. The language used in these agreements is regulated, to a certain degree, by federal and state laws, and must contain certain verbiage. A poorly written agreement can increase exposure and ultimately work against the employer.

Emily Franchi is the loss prevention specialist for employment practices with Camico (www.camico.com). For Camico policyholders who have Employment Practices Liability coverage and 1 to 30 employees, she provides support on a variety of human resources management issues, focusing on employee relations and legislative compliance for the workplace.

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



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6 questions you need to ask about cybersecurity systems

Start thinking about required coverage, risk tolerance, exclusions and other factors

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

Given the ongoing breaches at organizations with best-in-class cybersecurity systems, financial executives and their C-suite counterparts, including audit committees, have accepted that a breach is a question of when, rather than if.

Here are some questions to consider as you review your insurance coverage for cybersecurity breaches.



2. Are we complying with the representations made during the issuance of the policy?

Some insurance policies require companies to comply with established information-related security standards (e.g., ISO, COBIT, PCI, etc.). Unfortunately, some finance functions assume that their technology practices comply with these standards. An honest discussion with the technology team should occur, and a realistic comparison made between current practices and prior representations. Identified gaps should be prioritized and remediated. As appropriate, discussions with counsel and insurance advisers should be considered.

3. Do I have the appropriate amount of insurance?

Too often, companies choose coverage based on the premium. Although this is an important factor, there should also be a financial analysis, to the extent possible, that quantifies loss assumptions and risk. For example, various surveys, such as those conducted by the Ponemon Institute, identify the average cost of a breached record. This can be used to guesstimate a minimal level of required coverage—although a more detailed analysis would

be required to get “right size” coverage.

4. Do we understand what risks we are covered for and what we are assuming about them?

Insurance coverage may be needed from both external and internal perspectives. Externally, there may be costs due to lawsuits, regulatory compliance remediation, fines and penalties. Internally, costs may require new technology and security-related investments, personnel recruitment and contracting with consultants to help the company navigate through the incident recovery minefield. Public relations, notification and credit monitoring are other expenses that should be planned for. The need for cyber-extortion coverage, a more recent cyber risk, should also be considered.

5. What are my policy’s specific exclusions?

A number of specific exclusions that are not covered by the policy can be buried in a contract’s legal terms. It is important that these be communicated to the risk management team for appropriate consideration and alternative risk mitigation strategy development. For example, cyberevents that occur at vendors and third-party service providers can pose a significant liability and create uncertainty as to who will compensate harmed customers.

6. Is incident response guidance incorporated into our plans?

A number of insurance carriers provide a guide to help their customers minimize the damage from an incident. These guides outline best practices to prevent and manage the incident and the business response. These include security practices and containment strategies. Leveraging these guides can also help facilitate the claims process by helping to ensure that needed evidence and files are appropriately maintained. Some insurance plans require that you use designated attorneys and computer forensic investigators.

In many ways, a good cybersecurity purchasing strategy is very similar to buying commercial insurance. Companies need to understand the risks they can manage, what they will avoid and what they will transfer to a third party for a fee. Then make sure you understand what you are paying for, prepare to support claims, and understand what residual risks rest with you.

Joel Lanz, CPA/CITP, CFF, CISA, CISM, CISSP, CFE, is the sole proprietor of Joel Lanz, CPA P.C., and an adjunct professor at SUNY-College at Old Westbury. He is a member of the NYSSCPA’s Technology Assurance Committee and The CPA Journal Editorial Board.

NYSSCPA’s 2016 Financial Journalism Awards launched

Ceremony planned for May 6

By MAYA LINDSAY

Trusted Professional Correspondent

Submissions from financial journalists across the country poured in swiftly for the NYSSCPA’s 2016 Excellence in Financial Journalism (EFJ) Awards, which seek to recognize outstanding business reporting—published or broadcast in 2015—that contributed to the public’s better understanding of business and financial topics.

Winners will be selected in eight categories, and entries are judged on four parameters: accuracy of reporting, readability, clarity and style, and effectiveness and impact.

For more than 30 years, the Society has held this event to acknowledge the important contribution that journalists make in holding those who control the government purse strings accountable, as well as to educate the public about the role that accounting and finance play in everyday American

life. Past years’ competitions have awarded journalists from *The Wall Street Journal*, *Bloomberg*, *Crain’s New York Business*, *Forbes*, *Fortune*, *ProPublica*, *The New York Times* and the *Financial Times*.

Chapter and an EFJ judge. “I have found that several stories that I have read have become relevant and helped me professionally.”

“The Excellence in Financial Journalism Awards is important because it allows peo-

ple who work every day in the field—be it as reporters, columnists or beat writers—to be acknowledged for the fine effort they put forth. Often, the skills to translate technical information into words the public can un-

derstand goes unappreciated,” said Thomas P. Walpole, a judge during the 2015 EFJ Awards. EFJ winners will be honored at an awards luncheon on May 6, from 11:30 a.m.–2 p.m., at Tribeca Grill, in New York City. The luncheon will feature a cocktail hour, lunch and a featured keynote speaker. Last year’s keynote was Sheila S. Coronel, a Pulitzer Prize-winning journalist and dean of academic affairs at the Columbia University Graduate School of Journalism, who is known for coauthoring a report that investigated the reporting, editing and fact-checking failures that led to the publication of *Rolling Stone* magazine’s retracted story that sought to investigate an alleged gang rape on the University of Virginia campus.

Tickets to this year’s luncheon are \$35 and may be purchased at nysscpa.org.

“Every year, when I judge entries, I find out about new issues or get a deeper look into an issue that is making headlines.”

—Rumbidzai N. Bwerinofa-Petrozzello

“Every year, when I judge entries, I find out about new issues or get a deeper look into an issue that is making headlines,” said **Rumbidzai N. Bwerinofa-Petrozzello**, president of the Society’s Queens/Brooklyn

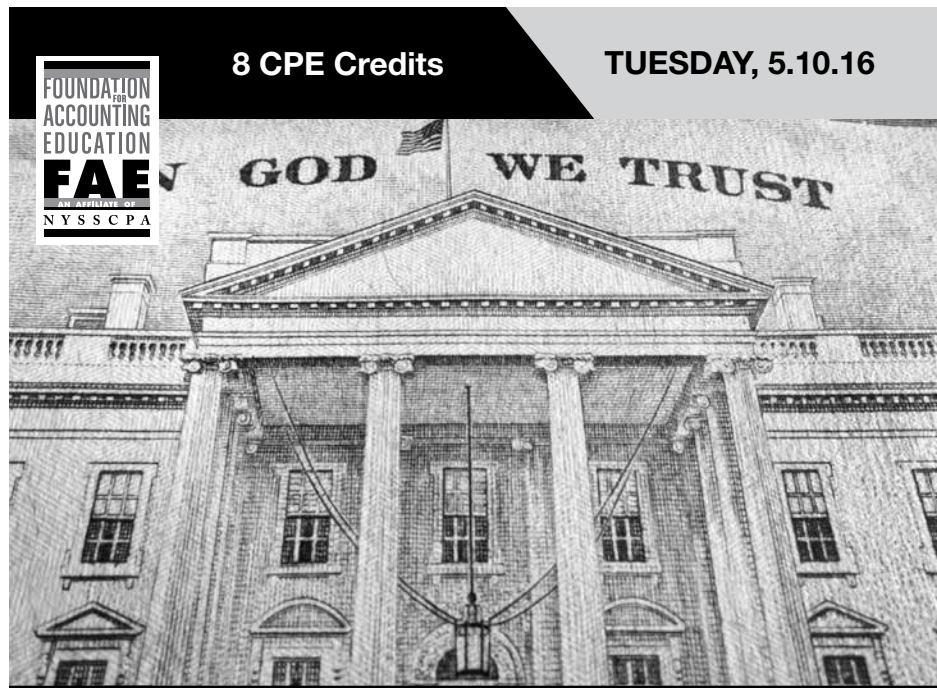
Chapter and an EFJ judge. “I have found that several stories that I have read have become relevant and helped me professionally.” “The Excellence in Financial Journalism Awards is important because it allows peo-

DISCIPLINARY MATTERS

KEITH K. ZHEN, of Brooklyn, N.Y., was automatically suspended from membership in the NYSSCPA for two years, effective July 23, 2015, under Society bylaws Article XII.5, in connection with the disciplinary action taken by the Public Company Accounting Oversight Board (PCAOB). Specifically, the PCAOB barred Zhen from being an associated person of a registered public accounting firm, with the right to file a petition for Board consent to associate with a registered public accounting firm after two years from the date of the Order. The decision was based on the Board's findings that Zhen violated PCAOB rules and standards in connection with the audit of five issuer audit clients.

JOHN F. VECCHIO, of Jericho, N.Y., entered into a settlement agreement under the AICPA Joint Ethics Enforcement Program as a result of an investigation alleging a disciplinary matter with respect to his performance of professional services on the audit of the financial statements for an employee benefit plan. Based on a review of publicly available information, financial statements and workpapers, Vecchio's responses to inquiries, and documents he submitted to support his responses, there appears to be prima facie evidence of violations of the following Rules of the AICPA Code of Professional Conduct: Rule 202—Compliance with Standards; Rule 203—Accounting Principles; and Rule 501—Acts Discreditable. Without admitting or denying the alleged violations, Vecchio agreed to forgo any further proceedings in the matter. Under the terms of the settlement agreement, Vecchio agreed to waive his rights to a hearing under the bylaws of the NYSSCPA; to comply immediately with Professional Standards applicable to the professional services he performs; to a two-year suspension from membership in the NYSSCPA, effective October 8, 2015; and to the publication of his name and terms of the settlement agreement. The directives include completion of 21.5 hours of specified CPE within six months of the date that he signs the agreement; hiring an outside party to perform a preissuance review of the reports, financial statements, and workpapers on three audit engagements performed by him for one year; followed by a work product review. He agrees to provide an attestation immediately, then every six months for a period of three years, that he is no longer performing employee benefit plan engagements, and if he returns to performing such work, he must complete an additional 16 hours of CPE, hire an outside party to perform a preissuance review on all employee benefit plan audits performed by him for one year, followed by a work product review. If he returns to performing such work, he must submit evidence that his firm has submitted an application to join the AICPA Employee Benefit Plan Audit Quality Center. He will be prohibited from serving on any ethics or peer review committees of the NYSSCPA or from performing peer reviews in any capacity, and teaching CPE in the area of employee benefit plans will be prohibited, until all directives in the settlement agreement have been met.

PAUL J. KONIGSBERG, of Greenwich, Conn., was automatically expelled from membership in the NYSSCPA, under Society bylaws Article XII.2—Criminal Conviction of Member, for crimes punishable by imprisonment for more than one year, effective November 24, 2015. A final judgment of conviction was entered in the United States District Court for the Southern District of New York in the case of the *United States of America vs. Paul J. Konigsberg*. Konigsberg pleaded guilty to violating Title 18, U.S.C. Section 371, Conspiracy to falsify books and records of a broker-dealer; falsify books and records of an investment adviser; and obstruct and impede the due administration of the IRS; and Title 15, U.S.C. Sections 78q(a) and 77ff; 17 CFR 240.17a-3, Falsifying books and records of a broker-dealer and 80b-4 and 80b-17; 17 CFR 275.204-2, Falsifying books and records of an investment adviser.



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The Accountants Club of America

One of New York's best-kept secrets

By **STUART KESSLER, CPA**

One of the best-kept secrets of the accounting profession in the New York metropolitan area is the Accountants Club of America. Conceived by **Elijah Watt Sells** and his friend and colleague, **Charles Waldo Haskins**, it was officially incorporated in 1927. However, its real origins can be traced to a time decades earlier.

Soon after the incorporation of the NYSSCPA in 1897, Sells began urging the State Society to make a place in its program for social and nonprofessional meetings of its members. He felt that if the members could meet in friendly comradeship, they would be bound together more closely for the advancement of professional ideals.

During the early years of the club, they held monthly meetings in a room in the Waldorf Astoria Hotel. These get-togethers served to build personal friendships among the then limited number of members. The time came when larger attendance at the monthly meetings required a formal program and expansion of the opportunity for personal contact.

A group of men who shared Sells's thoughts on the need for informal gatherings of CPAs decided to put his idea to a practical test. Many luncheons were held at

the Hotel McAlpin, located at Broadway and 34th Street, in Manhattan. The attendees were asked to join and support an Accountants Club. A number of leading accountants agreed to join. However, it was 1917 and the United States had become involved in World War I, so the plan was set aside.

There had been an earlier attempt to form social groups of professional accountants in New York. One was the Accountants' Round Table. It existed from about 1912 until 1917, also being abandoned after the United States entered World War I. However, in 1927, interest in the club was renewed when the partners of Haskins & Sells set up a foundation for the club. The founding group reminded those who had committed themselves some years before to form the Accountants Club. At a private dinner party at the Waldorf Astoria, given by Col. Robert Montgomery and Col. Arthur Carter, it was decided to proceed with the organization.

As plans matured, the decision was made to give the club a national standing by including in its name the words "of America." Twenty-five illustrious CPAs met in Montgomery's office on May 6, 1927, and signed the certificate of incorporation. At the first meeting, the incorporators became the first Board of Governors and elected Montgomery the first president and Samuel D. Leidesdorf as the first treasurer.

The new club was established in the Hotel Belmont, which occupied the southwest corner of Park Avenue and 42nd Street (a venue at which the NYSSCPA held many meetings in the 1950s and 1960s, before it was torn down). Membership in the club was extended to all professional public accountants (certified public accountants and chartered accountants), to members of the National Association of Cost Accountants, and to others of good character and executive standing who had a vital interest in accounting, such as "bankers, credit issuers and many industrial accounting officials."

Before long, the club sought larger meeting rooms in the new Hotel Montclair at Lexington Avenue and 49th Street; a duplex apartment with attractive furnishings was rented. Dining rooms, social rooms, an outdoor sundeck and, on the upper floor of the penthouse, an outdoor exercise area were provided.

At his last meeting as club president, the governors presented "Colonel Bob," as he was called, with a large silver tray, suitably inscribed, as a token of their esteem.

Luncheon meetings have been the continuing feature of the club's program. Included among those addressing these luncheons are a New York state Governor, award-winning authors, members of Congress, distin-

guished environmentalists, prominent attorneys, noteworthy economists and noted members of our own profession.

We have also been treated over the past half-dozen years to an annual breakfast address on the state of the CPA profession by **Barry C. Melancon**, the president of the AICPA and a member of the Accountants Club.

In 2007, the club celebrated its 80th anniversary with a gala dinner. We are looking forward to our 90th anniversary in 2017, with a repeat gala.

The vision of Sells and Haskins of a group of friendly professional men and women working together in both state and national societies, professionals with high standards of integrity and competency in financial accountancy, is as valid today as it was when they were alive. The Accountants Club of America will continue to do its part in promoting the spirit of comradeship among members of the accounting profession and those who work with the profession. We encourage all who are interested in joining the club to visit our website, accountantsclubofamerica.org.

stuart.kessler@cobnreznick.com

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Not-so-obvious rules for nonprofits

By CHRIS GAETANO
Trusted Professional Staff

While an organization might be nonprofit, it can be affected by accounting standards made for the for-profit world, according to **Allen L. Fetterman**, a speaker at the NYSSCPA's Nonprofit Conference in January.

The Nonprofit Conference, the Society's 38th annual, was held first in Rochester on Jan. 7, where 111 people attended, and then in New York City on Jan. 14, drawing 316. The conference featured practitioners who specialize in the nonprofit sector and regulators from agencies overseeing it.

Speaking to his audience at the Marriott Marquis in New York City, Fetterman, a specialist in nonprofit accounting, said that for many years, it wasn't entirely clear whether not-for-profits were public or private entities. He added that he remembers this question going back to the 1970s when he was a young auditor, but it wasn't until 2013 that the Financial Accounting Standards Board (FASB) gave a definitive answer: They're neither. The FASB decided that not-for-profits are their own type of entity.

This means that many parts of the accounting literature simply don't apply to them. The revenue recognition standard, for example, concerns contracts with customers, which Fetterman said are different from donors. But this doesn't mean the standard can be ignored entirely.

Fetterman pointed to a gray area in the revenue recognition standard that could mean not-for-profits still need to apply the rule: government contracts and other sponsored agreements. What if, he posed, a government entity contracted a not-for-profit to run a teen after-school program?

"Is the government, in this arrangement, a customer? If you think yes, it's an exchange transaction. But if you think no, it's not an

exchange transaction and tuition both count as contracts with customers.

Leases are another area that doesn't immediately seem to apply to nonprofit accounting. Fetterman explained that the new standard only concerns commercial real estate, but does not apply to nonprofits working with donated space. But even if the standard doesn't apply, Fetterman warned against not recording the space's value.

"Is the government, in this arrangement, a customer? If you think yes, it's an exchange transaction. But if you think no, it's not an exchange transaction—it's a contribution."

— Allen L. Fetterman

exchange transaction—it's a contribution," he said.

Until the FASB comes out with guidance addressing this ambiguity, Fetterman said he thinks of it as a *conditional* contribution, because it represents a future uncertain event.

Hospitals and schools will also need to comply with the new standard, he said, be-

cause U.S. Generally Accepted Accounting Principles (GAAP) is silent on the subject of donated space, Fetterman believes that CPAs should turn to the AICPA's accounting and auditing guidance for not-for-profit entities because it's very similar to the GAAP standard. Under this guidance, nonprofits that are donated space or leased

property at no charge need to recognize the right-to-use asset at fair value.

"For example, I donate office space to a nonprofit—10 years, free of charge. The fair rental value of the property is \$40,000 a year—\$40,000 times 10 is \$400,000. Discount it back to present value using [a] risk-free rate—\$110,000. Entry? Debit leasehold," he said.

Another for-profit standard that can affect a nonprofit organization is the one on uncertain tax positions. Fetterman said that while nonprofits are generally tax-exempt, they still need to pay for unrelated business income, and so would still need to disclose uncertain tax positions. This goes for all nonprofits. He recommended that private foundations disclose as well, though conceded that not everyone agrees.

"Private foundations say that doesn't apply to us because we pay an excise tax on our net investment income. I would say to them that the IRS calls it an excise tax, but it's an income tax. ... I've heard others say no. I leave that to your professional judgment."

Not that nonprofits are entirely absent from recent accounting standards. The standard on classification of donated financial assets and the standard on services received from personnel of an affiliate both concern nonprofits specifically.

The first standard says that when organizations receive donations of financial assets and sell them immediately, the sale is considered part of operating cash flow, not investment cash flow. Fetterman told the audience that the standard is already in effect, but there are too many organizations that aren't aware of it.

"I talk to firms who don't even realize this was out there, or their clients have not adopted this standard. But it's a standard, and it has to be done," he said.

The second standard requires that nonprofits getting free services from a parent, subsidiary or commonly controlled entity must recognize those services at the cost incurred by the donating entity. Fetterman said it became effective for the 2014–2015 fiscal year. He warned against confusing this standard with FASB Statement 116, *Accounting for Contributions Received and Contributions Made*, since this standard only concerns donated services from an affiliate.

In general, Fetterman advised that nonprofits seek other guidance, if the authoritative standards don't seem to apply to them, such as that offered by the AICPA's Financial Reporting Executive Committee. Even if the guidance isn't authoritative, it can still reflect best practices, and so should be followed.

"If you don't, you could be called [upon] to explain to a peer review, an ethics committee or a court of law why you didn't follow what is considered best practice," he warned.

The FASB's Not-for-Profit Project

While Fetterman discussed standards that may or may not apply to nonprofit organizations, Richard Cole, supervising project manager for the FASB, spoke about something that pertained to them directly: the FASB Not-for-Profit Project.

Today's nonprofit financial statements are difficult to understand for anyone who is not, in Cole's words, a "nonprofit nerd" like himself. The goal of the project is to make the information on the financial statement more accessible to people who may not be experienced financial statement users. This is why the FASB exposure draft focused mainly on presentation and disclosure, rather than substantive

accounting changes. Cole said that ever since the exposure draft was first released in April 2015, the FASB has been collecting feedback on the proposal and incorporating it into the second draft.

Cole also said that the scale of the project has meant the FASB will be splitting it into two phases. The first phase will address less contentious proposals, such as collapsing the three main asset classes into two. Phase II will be devoted to more complex issues, such as operating measures.

Some aspects of the original proposal that Cole said will remain in the Phase I exposure draft, expected to be released in June, include—

- reporting assets as either with or without donor restrictions, vs. the current practice of categorizing them as unrestricted, temporarily restricted or permanently restricted;
 - enhanced disclosures;
 - the option to use the direct method of reporting, whereas currently, people must use the indirect method; and
 - classifying the amount the fund fell below the original gift as net assets with donor restrictions, with respect to underwater endowments, vs. the current practice of classifying it as unrestricted assets.
- Cole did not give a timetable, however, for the Phase II changes.

cgaetano@nysscpa.org

CHAPTER NEWS

WWW.TRUSTEDPROFESSIONAL.COM | MARCH/APRIL 2016

NextGen events: Recap and upcoming

By MICHELLE ROBERTS
Northeast Chapter NextGen Chair

Although spring is upon us, members of the NextGen committee are still looking back on the 2015 holiday season, when chapter-area firms gathered food donations and brought them to the Parsons Child and Family Center food pantry. The Parsons staff shared their gratitude with all who contributed. We hope to increase participation each year.

In addition to coordinating the food donation, we hosted our annual Marine Toys for Tots Foundation event at Wolf's 1-11 in Colonie. We collected quite a few toys for the United States Marine Corps, and many people made online donations as well.

Our next scheduled event will be prior to the chapter's annual golf outing in May 2016, geared to getting younger staff involved in golf. We are hoping to draw a mix of attendees from both management and staff levels, as many of our clients sponsor golf events during the sum-

mer, and this could provide more staff with the ability to participate in these events.

We are offering an opportunity to bring all levels within a firm to come out for some simulated golf, just as the season is beginning. The facility is NexGen Indoor Golf Center in Latham (<http://nexusgolfcenter.com/>), which offers simulated driving ranges and golf courses. Their PGA golf pro will also be present to help with swing, stance and other tips. We encourage you to attend with someone who has an interest in golf but might not have polished skills, and

maybe with a little bit of practice time, he or she can then become part of your foursome on May 9 at Pinehaven Country Club in Guilderland! The event will be on April 28 from 4 to 6 p.m. and the cost will be \$20 per attendee. Space is limited, so register early! Registration is available online at <https://cpe.nysscpa.org/product/26650>.

If you would like to learn more about how you or one of your staff can get involved with the NextGen community of the NYSSCPA, please contact me at mroberts@wojeskico.com.

Watching diversity flourish with COAP

By RUMBI BWERINOFA-
PETROZZELLO
Queens/Brooklyn Chapter President

Our holiday party, which we held in January this year, was the perfect reminder of the incredible community that makes up the membership, family and friends of the Queens/Brooklyn Chapter. Past and current board members and officers were in attendance, along with other active members and fellow professionals. We took time to recognize the contributions of our members who

give selflessly despite their busy schedules.

I would like to take a moment to thank our outgoing chapter representative, **Mark Ulrich**. Mark is also in charge of our Career Opportunities in the Accounting Profession program (COAP), a very important aspect of the work that the NYSSCPA does. With a goal of making the CPA profession more diverse, COAP reaches out to underrepresented minority high school students and seeks to expose them to accounting and business careers. For several years now, Mark has worked tirelessly to bring together students of various backgrounds and interests. Mark or-

ganizes exciting programs that have taken students from Wall Street to Madison Square Garden, with sessions on interviewing, resume-writing and networking. We truly appreciate the work that Mark has done to represent our chapter on the NYSSCPA board, and the work that he continues to do for COAP and for the various activities that he helps us organize at St. John's University and around our city. I congratulate **Edward Esposito**, our former Chapter President, on his appointment as



RUMBI BWERINOFA-
PETROZZELLO

Queens/Brooklyn Chapter President

the incoming chapter representative.

Active membership in the NYSSCPA is a rewarding and enriching experience that I recommend to all. I hope that you will consider volunteering with the chapter and perhaps even seek a position on our board or with one of our committees. Please get in touch, or visit our chapter page. I always look forward to meeting new members and reconnecting with my peers.

rumbi@rbpcpa.com

Beware identity theft

By MICHELE LAZZARA
Westchester Chapter President

As tax season sets in, we should be aware of identity theft and the increased risks associated with it. Here are some of the efforts underway to combat it.

The Internal Revenue Service is cautioning tax preparers that they are prime targets for identity thieves looking for data to use when filing fraudulent returns. In the Gramm-Leach-Bliley Act, the "safeguards rule" requires individuals involved



MICHELE LAZZARA
Westchester Chapter President

in providing financial product or tax preparation services to ensure the security and confidentiality of customer records and information.

The IRS is launching a first-of-its-kind data sharing program with states and tax preparation software companies to more easily detect identity theft on online tax returns by reviewing personally identifiable information and metadata embedded in each submission.

It's a crazy world that we live in. Aggressive and threatening phone calls by criminals impersonating IRS agents remain a major threat to taxpayers,

headlining the annual "Dirty Dozen" list of tax scams for the 2016 filing season. Kids should be warned against sharing personal information on social media. Aging citizens are also prime targets.

Protect your passwords. Give personal information over encrypted websites only. If you are a victim of identity theft, the IRS will mark your account and issue an identifying number to be used when filing your return. You can elect to do this on your own by filing Form 14039, Identity Theft Affidavit. I have done this for a number of clients, and they really appreciate the added protection.

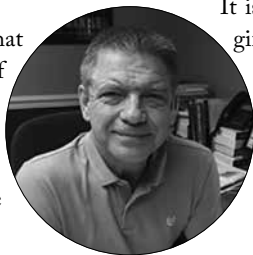
mlazzara@markspaneth.com

Attitude is everything

By BRUCE M. ZGODA
Buffalo Chapter President

It is tax season and with that comes little time to do much of anything except work. Having said that, it takes a good attitude to forge ahead and provide our family, friends and clients with the care and concern they deserve.

Our attitude has an impact on life. As someone once wrote, it is more important than the past, than education, than money, than circumstances, than fail-



BRUCE M. ZGODA
Buffalo Chapter President

ures, than success, than what other people think or say or do.

It is more important than appearance, giftedness or skill.

It will make or break a company, a team, a home.

That same person reminded me that the good news is that we have a choice every day regarding the attitude we will embrace for that day. We cannot change our past.

We cannot change the fact that people will act in a certain way. We cannot change the inevitable. The only thing

we can do is play on the one thing we have, and that is our attitude.

So, it is not what happens in our life, but more importantly, how we react to it.

Therefore, we are in charge of our attitudes, which might help us all get through another busy season.

Now is also the time to start thinking about tomorrow and the new year that lies ahead. How can we make a difference and what more can we do to contribute to our NYSSCPA?

Let's all take charge of our attitude and make a difference. Happy tax season to all.

bmz4848@aol.com

Nassau Chapter Nominating Committee Report

Nominating Committee:

Scott Sanders (Chair)
Robert S. Barnett
Eric M. Kramer

The Nominating Committee is proud to announce the slate for the 2016-2017 fiscal year:

All nominees have consented to serve if elected.

Officers:

President: Lynne M. Fuentes
President-elect: Anthony Basile
Treasurer: Alexander Resnick
Secretary: Natalie Licul-Verbanac

Directors with terms expiring May 31, 2017

Mark R. Cuccia
Philip H. Kanyuk (*Immediate Past President*)
Vivian Martinez
Pasquale Rafanelli
Joshua S. Sechter

Directors with terms expiring May 31, 2018

Kenneth Hauptman
Kenneth H. Rick
Nannette Watts
Wei Xu

The election will take place at the Board meeting, to be held on April 19 at the office of Nussbaum Yates, 445 Broadhollow Road, Suite 319, Melville, N.Y.

CPA ROUNDTABLE

How do you use social media to develop your business?



BETH VAN BLADEL | Consultant, Albany

While I've gotten a lot of work through in-person networking, many of my leads actually come from LinkedIn. For instance, I noticed that someone I hadn't seen in 15 years endorsed me for a skill. I wrote him a message thanking him and letting him know that I was available for part-time CFO and controller work. Later that week, he just happened to be with a client who had a need for that, and he remembered me. When the client and I finally met, my research on LinkedIn helped break the ice. I think social media is a great tool that helps you stay fresh in people's minds, especially if you can't get out and about. I don't think people use it enough. There's so much information out there and so many options to publish material yourself. If someone were to Google your name, what will come up? You need to manage your brand, and social media is a way to do it.

beth@bvbsolutions.com



PHILIP J. WHITMAN | CEO, New York

Most people think of social media as getting likes and followers and free p.r. At my firm, we truly believe that social media should be about helping people, and also about generating and monetizing leads. Internally, we use LinkedIn to build our talent pipeline and develop business opportunities in many service areas, whether in mergers and acquisitions, or training and coaching. But we also use it to develop leads and business development opportunities for CPA firms. When we work with our clients on this, we won't look at their direct connections; instead, we identify who their connections are connected with and then craft a marketing message that suits them. We also use Twitter, though this is more about sharing information. Sometimes, it's internal stuff like press releases about someone joining our team, and sometimes, it's to tweet about something interesting we saw, but one thing I can say is that when you have activity, there are people out there saying, 'Hey, I wanna follow this guy, this firm,' or 'That's an interesting story.' People comment and it creates a conversation.

pjw@whitmanbiz.com



RUMBI BWERINOFA-PETROZZELLO | Principal, Brooklyn

With all the information available to us on social media, I find Twitter to be a great research tool. I can keep up with the latest developments from the AICPA, the FASB or other accounting organizations, as well as learn about CPE events happening in my area. But even more important, it allows me to connect with other professionals to share knowledge and resources, to find answers to questions I might have, or to discuss areas of concern for people in the industry. I also use LinkedIn, but here, I view it mostly as a supplement to my in-person networking. It lets me connect to other professionals through discussion and use that to make contacts and build relationships. Both LinkedIn and Twitter are also good ways to promote my blog, where I write about forensic accounting.

rumbi@rockfinancialforensics.com



FREDERICK R. BERK | Partner, Manhattan

We use Twitter to disseminate information on firm events, press coverage, articles that our staff wrote, charitable initiatives, awards—any information whatsoever that we want people to know about us. We recently began using Google+ for the same purpose. We use both Facebook and LinkedIn for researching and recruiting new staff, though we also use LinkedIn to generate new business leads. LinkedIn is also great for when you do have a business lead, so you can see who you're meeting and know what to expect. Our firm also has a YouTube channel, which we use to show video of our firm's events or one of our people speaking at a conference. Social media has had a significant effect on our firm. It lets us reach so many people in a quick, efficient and low-cost manner, and as the new generation is plugged into social media, then that's where the future of the business world is.

fberk@friedmanllp.com



CATHERINE M. CENSULLO | Sole Practitioner, North White Plains

Social media is a great way to keep your clients up-to-date on what they need to know. For the past year, I've been sending out regular newsletters to my clients with advice on things like taxes, retirement planning and estate planning. Social media platforms like Facebook and LinkedIn have been great ways to distribute them. They're also good for keeping lines of communication open with my clients—I can get a better idea of what's going on with them, and I can talk to them directly if they post something. I haven't expanded to Twitter yet, but it's something I'm exploring. I do a lot of retirement planning and retirement distribution planning, and I think Twitter would be a good way to connect to other sources of training or information. Social media is the wave of the future, and if you can put in the time and resources to really develop your use of it, it can serve as a great tool to make and maintain connections.

catherine.censullo@cmcensullocpa.com



LYNNE M. FUENTES | Partner, Bethpage

I do use some social media, but mostly to let people learn more about me and what I can do for them. I'm more the kind of person who likes to go out to meet people and talk to them. If someone wants to know more about me, she can look at my Facebook and LinkedIn pages, but for the most part, I prefer face-to-face connection. Talking, I think, gives you a better feel for what they mean and what they need than reading something typed out over a computer. I would say 99 percent of my clients are referrals—I get them from former colleagues or former colleagues who may have moved away or gone to work somewhere else. They still refer clients to me because I still have a personal relationship with them, not because of what's on my Facebook page. When a referral does come through social media, it's usually because someone I know personally forwarded my profile page to them, saying you should go see that person.

LynneFuentes@optonline.net

Rochester champions media relations, recruiting and events

By **MATTHEW P. BRYANT**
Rochester Chapter President

Our Rochester Chapter has a regularly scheduled interview on WROC-TV, the local CBS station, which airs every Monday morning around 6:15 a.m. During these segments, one of the anchors will interview one of our chapter members on a range of accounting, finance and tax topics. Since we are in the middle of tax season, our chapter has been focusing on tax tips for individuals to use when planning and preparing their personal income tax returns. These interviews are a great opportunity for our members to share useful tax topics with the Rochester community. As one of the members who has participated in these interviews, I have found the response to be overwhelmingly positive. It is great to hear from a wide range of people that they saw the interview on TV and picked up a tip or two.

Both Alonza Robertson and Maya Lindsay at the NYSSCPA have done a wonderful job suggesting potential topics and coordinating the interviews with our members and WROC-TV. Their dedication to bringing useful content and involving a number of our chapter members in the interviews has helped our chapter to keep this segment on air every Monday morning. While we have a stable of media-trained members to represent the Rochester Chapter on WROC-TV every week, we are always looking for more. If you are a member of the Rochester Chapter and would like the NYSSCPA media relations team to help you be more media savvy, build your personal brand and share your expertise with your fellow Rochesterians, contact Alonza at arobertson@nysscpa.org.

In other chapter news, Immediate Past President **Antoinette Spina** is leading the Career Opportunities in the Accounting Profession (COAP) Committee. The committee has already met several times and is currently recruiting local high schools students

to this year's program, scheduled for June 26–29 at the Rochester Institute of Technology. The program is free and is aimed at fulfilling COAP's mission of creating a more racially diverse profession. We look forward to showing these students the variety of opportunities that come with an accounting career.

Our Education Committee, led by **Michelle Staebell**, CPA, has scheduled the Outstanding Accounting Student Award Night for April 21 at Midvale Country Club. The guest speaker for the event is **Uma Gupta**. Uma has more than two decades of knowledge, expertise and experiences in key educational issues that are shaping the future of STEM (Science, Technology, Engineering and Management) in America today. I look forward to her speech and the awards to the outstanding accounting students from our Greater Rochester area colleges and universities.

Matt Taylor and the NextGen Committee are working on the NextGen golf tournament coming up this spring. **Mark Forte** and other members are working on the 16th annual Counselor's Cup Golf Challenge, scheduled for June 14 at Bristol Harbour. The Counselor's Cup Golf Challenge is a networking event designed for professionals that give direct counsel to individuals, including accountants, lawyers and bankers. This all-day event includes golf, breakfast, lunch, dinner and some great door prizes.

I hope to see a strong turnout from our chapter at these upcoming events. If you are interested in attending any of these events, our chapter's web page on the NYSSCPA web site has additional details about the events. If you have not attended any of our events in the past and would like to be introduced in advance to someone who plans to attend, please reach out to me and I can connect you with one of our board members, who will be at the event that interests you.

mbryant@pharmasmart.com



MATTHEW P. BRYANT
Rochester Chapter President

Westchester Chapter Nominating Committee Report

The Nominating Committee is proud to announce the slate for the 2016–2017 fiscal year.

All nominees have consented to serve if elected.

Officers:

President: Catherine M. Censullo
President-elect: Gina Goodenow
Vice President: Michael B. Herz
Treasurer: Heather M. Oboda
Secretary: Gwendolyn Horn

Directors with terms expiring May 31, 2017
Kelly A. Blacker
Matthew Katz
Michele Lazzara (*Immediate Past President*)
Richard J. Terrano
Edward A. Wells

Directors with terms expiring May 31, 2018
Gregory R. Re
Douglas S. Ruttenberg
Jeffrey A. Schwartz
Robert M. Winton

The election will take place at the May 26 Chapter Presidents Dinner at the Willow Ridge Country Club, Harrison, N.Y.

Suffolk Chapter Nominating Committee Report

Nominating Committee:
Elizabeth A. Vuozzo (*Chair*)
Cynthia D. Barry
Kenneth R. Cerini,
Robert T. Quarté

The Nominating Committee is proud to announce the slate for the 2016–2017 fiscal year.

All nominees have consented to serve if elected.

Officers:

President: Brian Michels
President-elect: Amanda L. Sexton
Vice President: Melissa L. Hicks
Treasurer: John W. Hermus
Secretary: Kenneth B. Laks

Directors with terms expiring May 31, 2017
Frank Giambruno
Thomas S. Pirro
Felix Russo (*Immediate Past President*)

Directors with terms expiring May 31, 2018
Joel E. Ackerman
Michael T. Joy
Joel Schleifer
Janet T. Verneuille

The election will take place at an upcoming chapter event.

CHAPTER EVENTS & CPE

Buffalo

Buffalo Chapter Annual Education Night and CPE Session

Topic: Exploring the New Lease Accounting Standard

When: April 19, 3:30–5:30 p.m.

Where: Salvatore's Italian Gardens, 6461 Transit Road, Depew

Cost: \$45 member; \$60 nonmembers

CPE: 2 (accounting)

Course Code: 29011605

Contact: Jamie L. Lotz at jlolz@forest-lawn.com

Nassau

63rd Annual Installation Dinner

When: May 25, 6:30–9:30 p.m.

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

Cost: \$100 per person; \$950 table of 10

Course Code: 45030606

Contact: Lynne Fuentes at LynneFuentes@optonline.net

Mid Hudson

After Busy Season Mixer

When: May 5, 5:30–7:30 p.m.

Where: Shadows on the Hudson, 176 Rinaldi Blvd., Poughkeepsie

Cost: \$20 members, \$25 nonmembers

Course Code: 45020605

Contact: Noelle DeLuca at ndeluca@kpmg.com, or 203-406-8287

Charitable Brainteasers: Common Problems, Uncommon Solutions

When: May 11, 8:30–11:00 a.m.

Where: Ramada Fishkill, 542 U.S. 9, Fishkill

Cost: \$50 members; \$55 nonmembers

CPE: 2 (taxation)

Course Code: 29026601

Contact: Sally Cross at scross@cfosny.org, or 845-769-9393

Northeast

NextGen Pre-Tournament Indoor Golf Event

When: Apr. 28, 4–6 p.m.

Where: NexGen Indoor Golf Center, 1214 Troy-Schenectady Road (NY 7), Suite #3, Latham

Cost: \$20 per person

Course Code: 45040605

Contact: Register online or call: 800-537-3635

Financial Professionals Open

When: May 9, 11 a.m.–6 p.m. (check-in 11 a.m.), 1 p.m. lunch & shotgun start

Where: Pinehaven Country Club, 1151 Silver Road, Guilderland

Cost: golf \$150; dinner only \$50

Course Code: 45040604

Contact: Frank Ferrucci at fferrucci@wojeskico.com

Rochester

Outstanding Accounting Student Award Night

When: April 21, 5:15 p.m. cash bar & reception;

6:15–8:30 p.m. dinner

Where: Midvale Country Club, 2387 Baird Rd, Penfield

Cost: \$35 per person

Course Code: 45050609

Contact: Heidi Tribunella at

Heidi.tribunella@simon.rochester.edu

Southern Tier

Educator's Night

When: April 27, 5:30–8:30 p.m.

Where: Traditions at the Glen, 4101 Watson Blvd., Johnson City

Cost: \$35 per person

Course Code: 45060606

Contact: Darcy Aldous at daldous@darcyaldouscpa.com

RSVP by April 18

Suffolk

Update on Employer Responsibilities For 401K Plans

When: April 20, 8–10 a.m.

Where: Empire National Bank, 1707 Veterans Highway, Islandia

Cost: Free

CPE: 2 (specialized knowledge)

Course Code: 29085621

Register online or call: 800-537-3635

45th Annual Bankers/CPAs Golf Outing

When: May 2, 10 a.m. brunch & check-in; 11:30 a.m.

shot gun start; 5:30 p.m. dinner & open bar

Where: Southward Ho Country Club,

601 W. Montauk Hwy., Bay Shore

Cost: \$500 per golfer; \$225 cocktails and dinner only

Course Code: 45080607

Contact: Irene Howell at ihowell@avz.com

Westchester

Navigating the Path to a Successful Accounting and Business Career – An Executive Woman's View A Panel Discussion/Symposium

When: April 29, 7:30 a.m. check-in, networking &

breakfast; 8:30–10 a.m. panel discussion

Where: Mercy College, Main Hall, Lecture Hall,

555 Broadway, Dobbs Ferry

Cost: free (RSVP required)

Course Code: 45110606

Contact: Denise M. Stefano at dstefano@mercy.edu

Westchester Chapter Presidents Dinner

When: May 26, 6–9 p.m.

Where: Willow Ridge Country Club,

123 North St., Harrison

Cost: TBA

Course Code: 45110605

Contact: Maria Hongach at 914-909-3454

Helping Your Clients and Loved Ones Deal with Alzheimer's Disease

When: June 9, 5:30–6:45 p.m. networking, cocktails

and food; 7–9:30 p.m. presentation and movie

Where: Doral Arrowwood, 975 Anderson Hill Road,

Rye Brook

Cost: \$75 per person

CPE: 3 (advisory services)

Course Code: 29112701

Contact: Register online or call: 800-537-3635

Westchester Chapter Annual Golf Outing

When: Jun. 13, 11 a.m. brunch & registration;

12:30 p.m. shotgun start; 5:30 p.m. cocktail hour;

buffet dinner to follow

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

Harrison

Cost: \$350 per golfer (payment received prior to Feb.

15); \$150 hole sponsorship; \$150 cocktails & buffet only

Course Code: 45110701

Contact: Jeffrey Schwartz at

914-286-6908 or jeff@stantonandleone.com

FAE LISTINGS

AICPA Pricing Schedule

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

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

For 4-hour courses, see course description for price information. For details, refer to the registration information on www.nysscpa.org.

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.

KEY

GEOGRAPHIC AREA

LOCATION

FIELD OF STUDY

Date

Course Title

Course Description

Field of Study Course Code

Site

Developer

Member Fee/Nonmember Fee

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

FOR APRIL 19, 2016 – APRIL 28, 2016

MANHATTAN/BRONX

AUDITING

4/28

Fraud Update: Detecting and Preventing the Top Ten Fraud Schemes

Provides descriptions of how major frauds are perpetrated—including real-world examples—and the types of cost-effective controls that can be implemented to identify and prevent these deceptive acts.

AU/8 32281612

FAE Learning Center

AICPA

\$299\ \$424\ \$269\ \$394

SPECIALIZED KNOWLEDGE

4/27

Annual Update for Controllers

Discuss leading-edge topics in managerial accounting and finance in a session packed with useful tips and practical guidance.

SK/8 32503613

FAE Learning Center

AICPA

\$299\ \$424\ \$269\ \$394

NORTHEAST

ACCOUNTING

4/20

Latest Developments in Not-for-Profit Accounting and Auditing

Get the latest in nonprofit A&A, financial reporting, and other guidance.

AC/4, AU/4 36205641

Albany Marriott

Foundation for Accounting Education

\$299\ \$424

AUDITING

4/20

Latest Developments in Not-for-Profit Accounting and Auditing

See course listing under Accounting.

SUFFOLK

ACCOUNTING

4/27

Latest Developments in Not-for-Profit Accounting and Auditing

Get the latest in nonprofit A&A, financial reporting, and other guidance.

AC/4, AU/4 36205622

Melville Marriott Long Island

Foundation for Accounting Education

\$299\ \$424

AUDITING

4/27

Latest Developments in Not-for-Profit Accounting and Auditing

See course listing under Accounting.

WEBCASTS

ACCOUNTING

4/26

Advanced Excel

This course takes experienced, self-taught Excel users to the next level.

AC/4, SK 4 35496612

Foundation for Accounting Education

\$249\ \$374

AUDITING

4/28

Fraud Update: Detecting and Preventing the Top Ten Fraud Schemes

Provides descriptions of how major frauds are perpetrated—including real-world examples—and the types of cost-effective controls that can be implemented to identify and prevent these deceptive acts.

AU/8 35281612

AICPA

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

ADVISORY SERVICES

4/19

Fraud and Embezzlement: Risk Management Strategies

Provides a better understanding of fraud and the risks it poses to CPAs and their clients. Includes guidance on preventing, detecting, and responding to potential and suspected fraud incidents.

AD/2 35700619

Foundation for Accounting Education

\$65\ \$90

ETHICS

4/19

FAE's Ethics Update 2015 for Members in Business

Get up-to-date on the latest in New York State law, rules and regulations, as well as the Conceptual Framework and Code of Professional Conduct.

E/4 35279613

Foundation for Accounting Education

\$124\ \$184

4/19

FAE's Ethics Update 2015 for Public Practice

Get up-to-date on the latest in New York State law, rules and regulations, as well as the Conceptual Framework and Code of Professional Conduct.

E/4 35279614

Foundation for Accounting Education

\$124\ \$184

4/26

Comprehensive Defensive Documentation Techniques for Today's CPA

Includes some important "do's and don'ts" related to effective defensive documentation, in light of recent professional and jury standards.

AD/2 35700620

Foundation for Accounting Education

\$65\ \$90

SPECIALIZED KNOWLEDGE

4/27

Annual Update for Controllers

Discuss leading-edge topics in managerial accounting and finance in a session packed with useful tips and practical guidance.

SK/8 35503613

AICPA

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

MANHATTAN/BRONX

ACCOUNTING

5/6

First Annual Sustainability Investment Leadership Conference

AC/8 25162611

The Princeton Club

Foundation for Accounting Education

\$449\ \$499

5/10

Government Accounting and Auditing Conference

AC/4, AU/3, E/1 25144641

FAE Learning Center

Foundation for Accounting Education

\$335\ \$460

5/11

Latest Developments in Not-for-Profit Accounting and Auditing

Get the latest in nonprofit A&A, financial reporting, and other guidance.

AC/4, AU/4 36205612

FAE Learning Center

Foundation for Accounting Education

\$299\ \$424

ADVISORY SERVICES

5/13

MBA in a Day

Develop a complete understanding of business finance and management.

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5/10

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See course listing under Accounting.

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Latest Developments in Not-for-Profit Accounting and Auditing

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Upcoming Peer Review: Is Your Firm Ready?

Develop a stronger set of QC policies and procedures, and improve the QC environment of your firm so it is ready for review.

AU/8 32304612

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FOR MAY 3, 2016 – MAY 26, 2016

ETHICS**5/10
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SPECIALIZED KNOWLEDGE**5/3
Broker/Dealer Conference**

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This practical and interactive session will present a toolkit of ideas to help CFOs, controllers, and finance professionals better position their organizations for the future.

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Covers the latest issues that all CFOs and controllers need to know about, and provides "how to" guidance to allow for immediate use in their organizations.

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TAXATION**5/23
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Key issues and planning strategies that tax practitioners need to know about in order to advise their clients regarding the ACA and IRS Notice 2015-17.

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The Complete Guide to Payroll Taxes and
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This course presents a comprehensive overview of federal payroll taxes, Form 1099, and related compliance issues.

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ROCHESTER**ACCOUNTING****5/9
Latest Developments in Not-for-Profit
Accounting and Auditing**

Get the latest in nonprofit A&A, financial reporting, and other guidance.

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Holiday Inn Rochester Airport
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AUDITING**5/9
Latest Developments in Not-for-Profit
Accounting and Auditing**

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SUFFOLK**AUDITING****5/18
Audits of 401(k) Plans**

This course focuses on the special issues related to accounting, auditing, and reporting on 401(k) employee benefit plans.

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Melville Marriott Long Island
AICPA
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WESTCHESTER**TAXATION****5/24
The Best S Corporation, Limited Liability, and
Partnership Update Course by Surgent**

Strategies, techniques, and other planning opportunities available to S corporations, partnerships, LLCs, and LLPs.

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Doubletree Hotel Tarrytown
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**5/10
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Conference**

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\$285\410

**5/11
Latest Developments in Not-for-Profit
Accounting and Auditing**

Get the latest in nonprofit A&A, financial reporting, and other guidance.

AC/4, AU/4 35205612
Foundation for Accounting Education
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ADVISORY SERVICES**5/3
Ethical Dilemmas from a Risk Management
Perspective**

Covers the CPA's role as "protector" and the part ethics plays in managing the firm. Also discusses the expectations of others, including the jury, and how they can help CPAs gauge ethical behavior.

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Learn from the mistakes of others with a series of case studies based on calls to CAMICO's Loss Prevention and Claims hotlines.

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A discussion of jury standards and common liability issues surrounding these specialized areas, and ways to mitigate potential risks.

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Risk Management Tips from an A&A Perspective**

Learn what you need to know about jury standards and common liability issues surrounding these specialized areas and ways to mitigate potential risks.

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\$65\90

AUDITING**5/10
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**5/11
Latest Developments in Not-for-Profit
Accounting and Auditing**

See course listing under Accounting.

**5/17
Upcoming Peer Review: Is Your Firm Ready?**

Develop a stronger set of QC policies and procedures, and improve the QC environment of your firm so it is ready for review.

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**5/18
Combating Fraud: Turning Vulnerability to
Victory Every Day**

This course focuses on what factors contribute to turning honest employees into fraudsters.

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ETHICS**5/9
FAE's Ethics Update 2015 for Members
in Business**

Get up-to-date on the latest in New York State law, rules and regulations, as well as the Conceptual Framework and Code of Professional Conduct.

E/4 35279615
Foundation for Accounting Education
\$124\184

**5/9
FAE's Ethics Update 2015 for Members in
Public Practice**

Get up-to-date on the latest in New York State law, rules and regulations, as well as the Conceptual Framework and Code of Professional Conduct.

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\$124\184

**5/10
Government Accounting and Auditing Conference**

See course listing under Accounting.

SPECIALIZED KNOWLEDGE**5/3
Broker/Dealer Conference**

SK/8 35558611
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\$335\460

**5/12
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Skills for CFOs and Controllers**

This practical and interactive session will present a toolkit of ideas to help CFOs, controllers, and finance professionals better position their organizations for the future.

SK/4 35475611
Surgent McCoy CPE LLC
\$124\184

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**5/13
MBA in a Day**

See course listing under Advisory Services.

TAXATION**5/16
The Complete Guide to Payroll Taxes and
1099 Issues**

This course presents a comprehensive overview of federal payroll taxes, Form 1099, and related compliance issues.

T/8 35696613
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**5/23
A Practical Guide to Small Business Health
Insurance and Fringe Benefits:
2015 and Beyond**

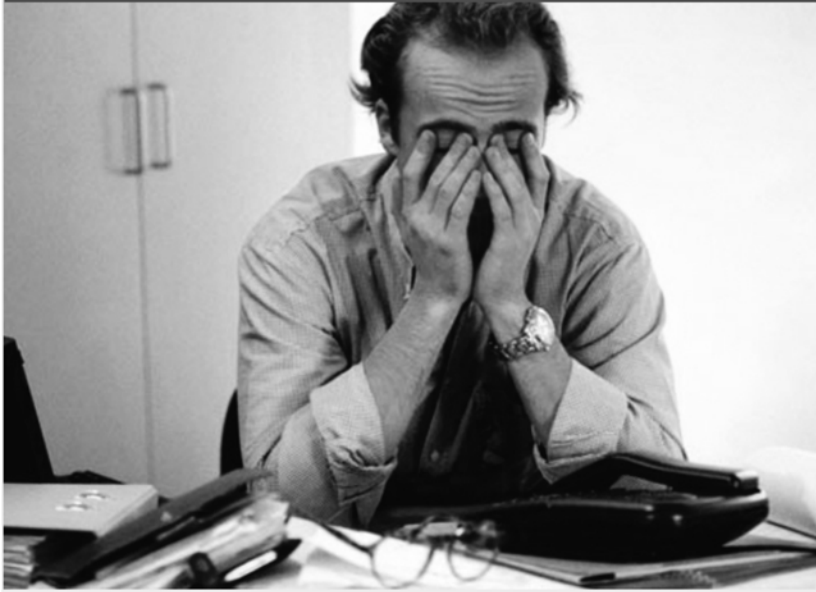
Key issues and planning strategies that tax practitioners need to know about in order to advise their clients regarding the ACA and IRS Notice 2015-17.

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Small Business Owner?



Workers' Compensation?
Independent Contractor Status?
Department of Labor Penalties?
Wages - Hours - Overtime Issues?
Unemployment Insurance Taxes?

Do You Have Any of These Issues?

New York State is going back as many as SIX YEARS & assessing major penalties for the above subjects. This happens when the employer has classified people as Independent Contractors with individuals treated as self-employed or because of a lapse in coverage.

Our work also includes performing a *Basic Analysis* of the circumstances prior to lodging the appropriate appeal. This examination is conducted without any charge.

Arnold Standard represents you before the **NYS Workers' Compensation Board**, **NYS Department of Labor** and **US Department of Labor**, to settle assessments and penalties which have been imposed – for a fraction of the original amounts.

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