DOL takes aim at overtime, worker classification with new directives

BY CHRIS GAETANO
Trusted Professional Staff

The U.S. Department of Labor (DOL) is cracking down on companies that try to circumvent federal regulations on overtime eligibility and worker classification, in a push that could hold significant consequences for a CPA’s business clients, as well as for his or her own firm. The department has taken on the hot-button issues in recent months, with a two-pronged attack.

First, in July, it released a proposal that would radically expand workers’ eligibility for overtime. Under current regulations, employees are generally considered exempt from overtime if they meet each of the following criteria: They’re paid a predetermined and fixed salary; they earn $23,660 or more; and they have a job that primarily involves executive, administrative or professional duties.

But, after a review mandated by President Obama earlier this year, the DOL said the wage threshold is unacceptably low and had not been adequately updated since the ’70s. In a fact sheet accompanying the proposal, the department noted that President George W. Bush’s administration had increased the threshold slightly, but called the bump “weak.”

As a result, the DOL said, “an exception to overtime eligibility originally meant for highly-compensated executive, administrative, and professional employees” is now applied to lower-level workers, such as fast food and convenience store managers, whose wages would fall below the poverty level for a family of four.

Under the proposed rules, the exemption threshold would be more than doubled, jumping from $23,660 a year to $50,440 a year. In addition, the salary requirement for executive, administrative or professional duties.

Society: FASB’s nonprofit proposal does opposite of what it intends

BY CHRIS GAETANO
Trusted Professional Staff

A proposal by the Financial Accounting Standards Board (FASB) that would radically alter the way nonprofit organizations present their financial information raises more problems than it solves, according to the NYSSCPA. In a comment letter published in August, the Society said the board’s plan was needlessly complex, falling far short of its goal to provide greater clarity, and was even more far-reaching than the board suggested.

The proposal, outlined in the exposure draft, “Proposed Accounting Standards Update—Not-for-Profit Entities (Topic 958) and Health Care Entities (Topic 954): Presentation of Financial Statements of Not-for-Profit Entities,” was released by the FASB in April. The board has presented the effort as an update meant to addresses current issues within not-for-profit accounting, or as board member Lawrence W. Smith said in a statement, a “refresh” that would make “not-for-profit financial statements even more useful to donors, lenders, and other users.”

However, according to David M. Rottkamp, a past chair of the Society’s Not-for-Profit Organizations Committee and one of the authors of the comment letter, the proposal would make things more complicated and less useful for those who need the information. He said the board’s goals were too ambitious and that the proposal was too complex.

For high school students, a brave new world

Some 200 high school juniors participated in the NYSSCPA’s Career Opportunities in the Accounting Profession (COAP) initiative this year, including these students from the COAP St. John’s University program. They took a field trip to Broadridge, a provider of investor communications and technology-driven solutions for businesses, in Suffolk County, and were given a tour of its offices and warehouse.

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Meet the candidates for the 2015-16 Nominating Committee.

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PRESIDENT’S COMMENTARY

An important election for our organization

With a record number of candidates seeking positions on the NYSSCPA’s 2015–2016 Nominating Committee, the Society’s CPA membership will be called upon in the weeks ahead to cast ballots and select several individuals to serve.

There are 17 candidates who filed valid petitions for nine positions on the committee. As a result, our bylaws dictate that an election must be held to determine who will fill these roles. The nine candidates with the most votes will join two designees from the Board of Directors in order to form the Society’s most important task—selecting its future leaders.

This year, the Nominating Committee will be recommending a president-elect; four vice presidents; a secretary/treasurer; five at-large directors; and directors from the Mid Hudson, Northeast, Queens/Brooklyn, Rockland and Utica chapters. These nominees are then presented to the membership in a proxy ballot that is distributed in April.

The Nominating Committee plays a crucial role in the future of the Society, and it is encouraging to see so many individuals interested in participating in this process.

All CPA members of the Society are eligible to cast a vote in this election. A member may choose to vote from the list of candidates by phone, email, or internet voting.

You can see the candidates’ service histories with the Society on page 8 of this issue of The Trusted Professional or online at http://www.nysscpa.org/about/about-nysscpa/nomination-center/nominating-committee-vote-2015.

At this time, I would also like to remind anyone who is interested in serving on the Board of Directors next year to begin putting together any information you may want to submit as part of your expression of interest. If you are interested in submitting a nomination for the chapter representative board positions, please first contact the respective chapter president; chapter presidents’ contact information is available in the chapters section of the NYSSCPA website, nysscpa.org.

In order to serve on the Board of Directors, you must have been a CPA member of the Society for at least five years, and have at least two years of service either on a state-wide committee, a chapter executive board, or a combination of both.

Joseph M. Falbo Jr., CPA

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3) Live Video Webcast

Correction

In the “Lifetime Members” listing that appeared in the August 2015 issue of The Trusted Professional, we incorrectly described those who had been acknowledged as having belonged to the Society for 45 years. In the August 2015 issue, the listing incorrectly described those who had been acknowledged as having belonged to the Society for 45 years. However, we have since learned that the correct number of lifetime members is 45 years. We regret the error.
Assessing the impact

When employers go through the process, the DOL said, they’ll likely find that “most workers are employees.”

Assessing the impact

All told, the two directives will affect millions of workers and their bosses. The DOL estimates that just under 5 million workers who are currently ineligible for overtime will be folded into the proposed regulation, and an additional 2 million will be eligible for health care and other benefits. What’s more, according to a report released by the U.S. Government Accountability Office (GAO) in April, independent contractors are a sizable part of the workforce, making up 12.9 percent. Contingent workers, as a whole, make up 40.4 percent.

Still, sources predict that the more difficult adjustment for employers will likely be the proposed overtime rules, as the classification guidelines are less of a departure from existing practice.

Avery E. Neumark, who is the partner-in-charge of his firm’s employee benefits and executive compensation practice, said that while the classification guidelines reflect a “more aggressive position” by the government, the economic realities test isn’t substantially different from the control test that employers had already been using.

What the guidelines do, he continued, is underscore that if businesses want to classify someone as an independent contractor, they had better be certain that it’s the true nature of the relationship, which means they would essentially use the W-2 worker as their baseline.

For one thing, said Avery E. Neumark, chair of the NYSSCPA’s Hospitality Industry Committee, said that he recently met with a client who owns several fast food franchises and had already concluded that he would have to raise prices to comply with the proposal. In addition to the new overtime rules, Wolfson pointed out, the restaurant and hospitality industry is experiencing mounting wage pressure on other fronts, including the recent move by New York state to increase the minimum wage for fast food workers.

“Many [employers] think, ‘Well, they’re working out of their home, so we’re not controlling them,’ but if the nature of the work they perform is no different than what they would be doing if they were coming into the office, businesses need to be careful,” he warned.

But when it comes to overtime eligibility, many employers and their accounting staffs have said that the pending expansion won’t come easily and could trigger a number of unintended consequences as businesses try to cope.

For one thing, said David G. Young, a managing partner in the Rochester area, the measure will disproportionately impact small businesses, which may end up reconsidering whether or not to hire employees or grow their companies in the face of increased costs.

Small business owners, he said, “may ask themselves, ‘If I pay all this overtime out, why own a business?’ and, as a result, could [make] decisions that will ultimately have the opposite effect of what the government wants.”

Another possibility, according to Scott Sanders, co-chair of the Nassau Chapter’s Small Practice Unit MAP Committee and a managing partner at his firm, is that companies may rethink their scheduling practices to avoid tripping the overtime regulation. For example, he said, because overtime must be paid on the regular payday for the pay period in which the wages were earned, “the employer can either delay giving the work to this employee until the subsequent week, or give the work to another qualified employee whose hours are under the 40-hour work week.”

Moreover, the increased costs may be passed on to consumers, as entities look to minimize the impact.

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Continued from front page

In the past, determining the difference between employees and independent contractors often hinged upon what’s called the “control test,” which asks: To what degree is the business able to control the worker and the nature of the work that he or she does?

But according to the DOL, while the control test should still be a factor, it shouldn’t be the only one. Instead, the department wants businesses to use several different standards that fall under what it calls the “economic realities test,” which focuses on whether the worker is economically dependent on an employer; the nature of the work performed by the employee is an integral part of the employer’s business; the worker is significantly integrated into the employer’s enterprise; the nature and degree of the worker’s control?

When employers go through the process, the DOL said, they’ll likely find that “most workers are employees.”

Determining who counts as a “highly-compensated employee”—a category that is also exempt from overtime rules—would be increased from $100,000 a year to $122,148. Both thresholds would be automatically adjusted every year, either by a fixed amount, yet to be determined, or alongside the consumer price index.

Although, in its proposal, the DOL discussed the possibility of counting nondiscretionary bonuses as part of salary and solicited feedback on the nonsalary portions of the three-part exemption test, the department did not propose any specific regulatory changes on either matter. The open comment period for the proposed rules ended on Sept. 4.

Just a few weeks after it published the proposed overtime rules, the DOL released a 15-page memo intended to clarify who, exactly, is considered to be an employee and who is an independent contractor.

The misclassification of employees as independent contractors, the DOL wrote, is an increasingly common affair, in part because of widespread business restructurings. But the consequences, it said, can be deeply impactful, not only for the employees who are denied workplace protections, but for the government, which could see lower tax revenues, as well as for the businesses that do follow the rules, since they may encounter an uneven playing field.

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All told, the two directives will affect millions of workers and their bosses. The DOL estimates that just under 5 million workers who are currently ineligible for overtime will be folded into the proposed regulation, and an additional 2 million will be eligible for health care and other benefits. What’s more, according to a report released by the U.S. Government Accountability Office (GAO) in April, independent contractors are a sizable part of the workforce, making up 12.9 percent. Contingent workers, as a whole, make up 40.4 percent.

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In 2014, President Obama directed the DOL to update the regulations outlining which workers are protected by the Fair Labor Standards Act minimum wage and overtime standards.
CPAs score Form 990 victory

BY CHRIS GAETANO
Trusted Professional Staff

CPAs at exempt organizations have a little more breathing room thanks to a recent bill signed into law that streamlines the Form 990 extension process, which had previously been critiqued by the State Society as needlessly cumbersome.

The measure was part of the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015, signed into law on July 31 by the president. Previously nonprofit organizations that needed more time to file their Form 990 had to file, first, an initial three month extension request with the IRS, and then another three month extension request later, if more time was needed. Under the new law, however, that process has been replaced with a single filing that, if approved, grants a six-month extension.

The Society, in a comment letter from August 2014, said that the old method presented an unnecessary burden, not only on exempt organizations but on the IRS as well. It argued that needing to file a second request adds another responsibility for the organization, places additional workload on IRS staff to process, and creates an awkward time period where the organization waits for the IRS to respond.

Further, the Society argued that the current process can be confusing, as the deadlines weren’t in point of view of what’s allowed on other forms. It pointed out that charities can receive a six month extension on their Form 990-T by only filling once, but meanwhile have to file twice to get an extra six months on their Form 990, which creates potential for unintentional noncompliance.

On the other hand, the Society argued that a single six-month extension process would align it with other IRS, as well as state, reporting requirements, help practitioners avoid unnecessary penalties and save the IRS both time and money, as the need to review and approve extension requests would literally be cut in half.

The Society applauded the change, saying that it was a positive step that obviously reflected clear demands made not only by the Society but nonprofit organizations across the country facing the same issue.

“We have been instrumental in changing the law for nonprofits nationwide. Although we were likely not the only group to request this, there was definitely an obvious juxtaposition between our re-submission and the new law,” said Ethan Kahn, an Exempt Organizations Committee member.

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NYSSCPA comment letters

The following list includes all comment letters released by the NYSSCPA between May 1 and May 31. To read all comment letters published by the Society, visit nysscpa.org/page/society-comment-letters.

Comments to the FASB on Two Proposed Accounting Standards Updates — Income Taxes (Topic 740): I. Intra-Entity Asset Transfers (File Reference No. 2015-200) and II. Balance Sheet Classification of Deferred Taxes: Released May 29 — Comments on two proposed accounting standards updates related to income taxes. The first proposal requires that an entity recognize the current and deferred income tax consequences of an interentity asset transfer when the transfer occurs, and the second proposes that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position.

Comments to the AICPA on Exposure Draft — Affiliate, Proposed Revised Definition, AICPA Professional Ethics Division: Released May 14 — Comments to the AICPA Professional Ethics Division on their proposed revisions to the definition of “affiliate” (AICPA, Professional Standards, ET Section 0.400.02). The proposal provides guidance on how to treat multiemployer employee benefit plans under this definition.

Comments to the AICPA on Exposure Draft — Firm Mergers and Acquisitions, Proposed Interpretation of the AICPA Professional Ethics Division: Released May 14 — Comments to the AICPA Professional Ethics Division on their proposed interpretation that would provide guidance to members in situations where independence, with respect to an attest client, may become impaired as a result of a firm merger or acquisition.

Comments to the Financial Accounting Foundation (FAF) on the Three-Year Review of the Private Company Council (PCC): Released May 11 — NYSSCPA response to the FAF’s request for comments on the PCC’s effectiveness, accomplishments, and its future role in setting standards for private companies.

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SEC approves controversial Dodd-Frank pay disclosure rule

BY CHRIS GAETANO
Trusted Professional Staff

The boss will always make more than the workers, but under a regulation recently adopted by the Securities and Exchange Commission (SEC), a company’s employees and investors will now be able to determine how much more.

The rule, which the commission passed in a 3–2 vote on Aug. 5, requires public companies to make three additional disclosures in their annual filings: the median of the annual total compensation of all employees, excluding the CEO; the annual total compensation of the CEO; and the ratio between the two. Companies would have to report the information for their first fiscal year beginning on or after Jan. 1, 2017.

The provision had been included in the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act, but its final approval was subject to delays—as has often been the case with measures tied to the legislation. A progress report published this summer by the law firm Davis Polk & Wardwell LLP, marking the fifth anniversary of Dodd-Frank, found that, as of July 15, 21.3 percent of the law’s 390 total rulemaking requirements had not yet been proposed.

Still, the pay disclosure rule, which garnered more than 287,000 comment letters before it was passed, was particularly contentious.

Will flexibility aid compliance?

In terms of cost and complexity, Commissioner Kara M. Stein said that the final rule provides companies with enough flexibility that it would not present an undue burden for businesses.

The rule does, in fact, allow significant wiggle room for companies to determine who will be counted when calculating median employee compensation. According to David M. Rubenstein, a Chief Financial Officers Committee member who is a partner at WeiserMazars, LLP, and chair of its SEC Practice Group, an overly complicated mandate that proved difficult to follow wouldn’t serve businesses or the SEC itself. Instead, he said, the commission seemed to be open to any methodology that seemed reasonable.

Indeed, according to an SEC fact sheet, companies can “select a methodology based on their own facts and circumstances.” For example, a company could choose to determine a median based on every employee, use a statistical sampling of its workers or employ any other method that would be viewed as justifiable. The company could also decide to apply a cost-of-living adjustment in identifying the median employee, but is not required to do so.

There’s also some latitude in how entities determine who is an employee. While companies do have to include all full-time, part-time, temporary and seasonal workers, whether employed directly by the entity or any of its consolidated subsidiaries, they are allowed to exclude independent contractors or those employed by unaffiliated third parties. They will be able to exclude up to 5 percent of their non-U.S. workforce, including those who work in countries where data privacy laws would prevent them from obtaining the relevant information, and can also choose to annualize the total compensation for a permanent employee who didn’t work for the entire year, such as a new hire.

In addition, they have a wide range of choices regarding over what time period this calculation is made. Under the rule, entities can select a date within the last three months of their last completed fiscal year to determine the employee population. The calculation only has to be updated every three years, unless the company experiences major changes in its employment base.

The rule’s elasticity, however, generates its own concerns. Rubenstein pointed out that the very exceptions used to make the rule more flexible might be a source of complexity for certain companies. Although, on the surface, it would seem easy enough to extract data en masse directly from payroll, considerations relating to executive compensation over their entire employment base.

According to the exception, calculations could prove difficult to compare one entity’s ratio to another. Beck pointed out that pay structures can vary significantly, not just between companies but entire industries. Take, for example, a utility. Since it may be slower growing and have lower compensation levels than, say, a rapidly growing tech company, seeking comparability between the two, Beck said, “will be based on relative information and industry information.”

What’s more, Beck added, at the executive level, compensation is usually closely tied to various performance incentives that, again, can differ significantly from company to company. Packages, he said, are often centered, not around salary, but stock-based compensation, and can “reflect someone who is not doing well, or someone who is.”

The bottom line: The ratio might not be telling the whole story.

Still, Rubenstein was confident that, while comparability will be a bit more difficult, it’s certainly possible, especially since companies also have the option of providing a narrative explanation of their ratios, which might help people understand the individual factors behind the calculations.

“If I was an analyst, if I was a trader in stocks or anything relative to the market and performance for companies … I would want to understand why this CEO makes so much more money relative to their employee base vs. this other one,” he said. “It may impact one’s desire or consideration to buy or not to buy.”

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salary level proposed “seems fair,” he called the DOLs estimate that between $1 billion to $2 billion will be transferred from employer profit to employee salary as a result of the proposal “staggering.”

Angelo Amador, the senior vice president of labor and workforce policy at the National Restaurant Association, had even stronger words for the measure, which he characterized as “a bad idea” that doesn’t take regional differences into account.

“While $50,000 is something that a restaurant manager in, let’s say, New York City or San Francisco will easily meet, the feedback I’m getting is in rural areas of the country, they would not [be able to] meet that,” he said.

Amador added that some restaurants may simply shift their managers from salaried to hourly work, and that the regulation may accelerate the ongoing trend of automating restaurant service, since owners might find it cheaper to get new technology than to pay the increased overtime.

Hitting home?

But it may not just be a CPA’s clients that are affected by the proposed overtime rules. Sanders said that CPA firms themselves, especially smaller ones, would also be impacted. After all, he, smaller firms have a higher percentage of administrative staff whose wages fall under the $50,440 threshold.

As a result, he explained, firms may need to consider taking on additional staffing in order to keep the administrative workers under the 40-hour threshold—particularly during busy season—and keep the firm’s payroll costs to a minimum. While that would bring another set of costs for training, extra software licenses and even desk space, he added, it would likely be lower than the cost of actually paying out the overtime under the proposed regulation.

Firms, he said, would need to simply brace themselves and “include these additional costs when factoring in fee increases for 2016.”

Young agreed that the overtime proposal could be an issue for CPA firms, adding that he doesn’t know anyone in his practice who works less than 50 hours a week during the tax season. Though he said his own firm has been paying overtime, and that they generally wouldn’t be affected by the potential regulation, he believed others would see increased costs and, possibly, legal challenges.

Of course, it would not be without precedent: Within the past few years, the Big Four firms KPMG, Deloitte and PricewaterhouseCoopers have all been targets of class action lawsuits that alleged they did not pay their audit associates for overtime.

The Deloitte case was dismissed in 2012, and when the plaintiffs returned this past September to get it refiled, a federal judge denied the motion, saying that the plaintiffs were too varied in level of supervision and duties to consider the case as a class action. The KPMG case was dismissed by an appeals court last year after a judge concluded that as “learned professionals who perform work requiring advanced knowledge” the associates were exempt from overtime under the Fair Labor Standards Act. And PwC settled its case in February 2015, making a gross payment of $5 million.

ngao@nysscpa.org
2015–2016 NOMINATING COMMITTEE CANDIDATES

The following pages include biographies of the 17 candidates who are interested in serving on the NYSSCPAs 2015–2016 Nominating Committee. CPA members of the Society are asked to select nine applicants from this list, and will receive an e-mail with a link to an online voting portal to make their selections. If they have no email address on file, a paper ballot will be sent to their mailing address. To go directly to the voting portal, visit http://bit.ly/nysscpavote15. Ballots must be received by 5 p.m. on Oct. 21 in order to be counted. If you have questions about the voting process, please contact NYSSCPA Public Affairs Manager Robert Busweiler at 212-719-8385 or rbusweiler@nysscpa.org.

FRANK J. AQUILINO, Acting Associate Dean for the School of Business, Montclair State University, Montclair, N.J. Member of the Society since 1976. Member of the Staten Island Chapter. STATEWIDE: Past member of the Board of Directors as Vice President, Treasurer and member of the Executive Committee. Past Chair of the Audit, Annual Leadership Conference, Finance and Professional Liability Insurance committees. Past member of the Chapter Relations, Education in Colleges and Universities, Members in the Field of Education, Nominating and Tax Education committees. Past Government Relations Director. CHAPTER: Past Staten Island Chapter President, President-elect, Treasurer and Executive Board Member. Past member of the Staten Island Chapter Education and Government Relations committees.

BARBARA E. BEL, Partner, O’Connor Davies LLP, Harrison, N.Y. Member of the Society since 1989. Member of the Westchester Chapter. STATEWIDE: Previously served on the Board of Directors as a Director as a Chapter Representative for the Westchester Chapter and as a member of the Executive Committee. Current member of the Closely Held and S Corporations Committee. Current member of the Dues Restructuring Task Force. Past member of the New York, Multistate and Local Taxation Committee. Past Vice President of the NYSSCPA Political Action Committee Board of Trustees. CHAPTER: Past Westchester Chapter President, President-elect, Vice President, Secretary and Treasurer. Past member of the Westchester Chapter Executive Board. Past Chair of the Westchester Chapter Government Relations and Public Relations committees. Past Vice Chair of the Westchester Chapter Budget Committee. Past member of the Westchester Chapter Economic Development and Education and Programming committees.

SHARI E. BERK, Sole Practitioner, S. E. Berk CPA PC, New City, N.Y. Member of the Society since 1988. Member of the Rockland Chapter. STATEWIDE: Previously served on the Board of Directors as a Director at Large. Past member of the Awards and Membership committees. Past member of the Governance Sub-committee. CHAPTER: Current Rockland Chapter President. Past Rockland Chapter President-elect, Treasurer, Secretary and Executive Board member. Current member of the Rockland Chapter Continuing Professional Education Committee.

SAMUEL M. BRONSKY, Sole Practitioner, Bronsky & Company LLC, Buffalo, N.Y. Member of the Society since 1986. Member of the Buffalo Chapter. STATEWIDE: Current member and Past Chair and Vice Chair of the Peer Review Committee. CHAPTER: Past member of the Buffalo Chapter Executive Board.

ARNOLD L. HASKELL, Partner, Baker Tilly Virchow Krause, LLP, Melville, N.Y. Member of the Society since 1989. Member of the Suffolk Chapter. STATEWIDE: Past Chair of the Bankruptcy and Financial Reorganization Committee. Past member of the Closely Held and S Corporations and Nominating committees. CHAPTER: Past Suffolk Chapter President, President-elect, Vice President and Executive Board member. Past member of the Suffolk Chapter General Taxation and Newsletter committees.

DAVID R. HERMAN, Partner, Ricken & Company, LLP, Bardonia, N.Y. Member of the Society since 1998. Member of the Rockland Chapter. STATEWIDE: Previously served on the Board of Directors as a Vice President, Director as a Chapter Representative for the Rockland Chapter and a member of the Executive Committee. Current member of the Closely Held and S Corporations and Small Firms Practice Management committees. Past member of the NYSSCPA Political Action Committee Board of Trustees. Past member of the Awards, Finance and Nominating committees. CHAPTER: Current member of the Rockland Chapter Executive Board. Past Rockland Chapter President, President-elect, Vice President, Secretary and Treasurer. Past Chair of the Rockland Chapter Continuing Professional Education Committee.

MEUSSA L. HICKS, Senior Manager, Baker Tilly Virchow Krause, LLP, Melville, N.Y. Member of the Society since 2004. Member of the Suffolk Chapter. CHAPTER: Current Suffolk Chapter Treasurer. Past Suffolk Chapter Secretary and Executive Board member. Current Cochair of the Suffolk Chapter Cooperation with Educational Institutions Committee. Past member of the Suffolk Chapter Young CPA Committee.

SCOTT D. HOSLER, Manager, The Bonadio Group, Clinton, N.Y. Member of the Society since 2006. Member of the Utica Chapter. STATEWIDE: Previously served on the Board of Directors as a Vice President, Director as a Chapter Representative for the Utica Chapter and member of the Executive Committee. Current member of the Dues Restructuring Task Force. Current member of the Finance Committee. Past member of the Awards Committee. CHAPTER: Past Utica Chapter President, President-elect, Treasurer and Executive Board member.

J. MICHAEL KIRKLAND, Director, Deutsche Bank AG, New York, N.Y. Member of the Society since 1982. Member of the Manhattan/ Bronx Chapter. STATEWIDE: Previously served on the Board of Directors as President, President-elect, Vice President, Director at Large and as a member of the Executive Committee. Past member of the Foundation for Accounting Education’s Board of Trustees. Past member of the Finance, Quality Enhancement Policy, Banking, Minority Group Recruitment & Equal Opportunity and FAE Curriculum committees. Past Chair of the Real Estate Task Force. Past Cochair of the Industry Outreach Task Force. CHAPTER: Past Manhattan/Bronx Chapter President, President-elect, Vice President and Executive Board member. Past member of the Manhattan/Bronx Chapter Nominating and Cooperation with Bankers & Other Credit Grantors committees.

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

MARK G. LEEDS, Chief Financial Officer, Win Properties, Inc., Rye Brook, N.Y. Member of the Society since 1975. Member of the Westchester Chapter. STATEWIDE: Previously served on the Board of Directors as a Director as a Chapter Representative for the Westchester Chapter. Current member of the Real Estate, Member Relations and Chief Financial Officers committees. Past member of the Apparel and Textile, Awards, Financial Executives in Closely Held Companies, Hospitality Industry and Media and Publishing committees. Past member of the Real Estate and Industry Outreach task forces. CHAPTER: Past Westchester Chapter President, President-elect, Vice President, Secretary, Treasurer and Executive Board member. Past Chair and Vice Chair of the Westchester Chapter Budget Committee. Past Chair of the Westchester Chapter Sponsorship Committee. Past Chair of the Westchester Chapter Accountants in Industry Committee.
INTRODUCING

Get Money Smart

Consider volunteering a few hours of your time in October to help your community Get Money Smart, a brand new financial literacy initiative of the NYSSCPA.

Join us by participating in one our financial fitness fairs, money brunches, seminars, and TV and media appearances during October — Financial Planning Month.

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• How to Grow Wealth: Compound Interest, 401(k)s, Pensions
• Estate Planning
• Making College Affordable

For more information on how you can get involved in Get Money Smart, email Alonza Robertson at arobertson@nysscpa.org
War story: the perils of over-looking a hidden stakeholder

When an absentee owner is left out of negotiations, CPAs are taken to task—and to court

By Ron Klein, J.D., CFE

Editor’s Note: “War Stories” are drawn from the claims files of Camico, a CPA-directed insurer and risk management program for accountants. All names have been changed.

Outland Property Co., the owner and manager of large tracts of land in the Rocky Mountains, leased a mountain slope on a percentage-lease basis to Sugar Pine Ski Resort. Sugar Pine, in turn, built chair lifts and a ski lodge, providing skiers with rental equipment, lessons and meals.

The lease agreement specified that a percentage of receipts from the lift tickets, rentals, lessons and food sales would go to Outland. Any further modifications to the agreement would have to be negotiated by Outland and Sugar Pine.

Over a 20-year period, Sugar Pine grew steadily into a major ski area. The company added condominiums to the property, as well as restaurants, retail shops and spas. The ski lifts and slopes were enhanced and expanded to the point where Sugar Pine was able to host major ski championships, from which it received fees from corporate sponsors. Income paid from Sugar Pine to Outland under the terms of the lease grew from about $75,000 per year to $500,000 per year.

Sugar Pine became a successful corporate entity, and the owners of Outland became elderly retirees who relied entirely on their managers for the direction of Outland. The managers, lawyers and CPAs of Outland and Sugar Pine negotiated a new lease agreement that excluded fees that Sugar Pine customers who rented condos paid to cover the costs of water and other utilities, as well as certain other fees, including sponsorship fees that corporations paid Sugar Pine for ski championships.

Another decade went by, and income paid by Sugar Pine to Outland under the terms of the lease grew to about $800,000 per year. The CPAs for Outland’s retired owners, however, astutely perceived the change in dynamics between their elderly clients and the corporate management teams running Outland and Sugar Pine. Those CPAs working for both management teams had also become a little too “cozy” with their clients.

The retirees’ CPAs closely examined the lease agreement and found definitions in it that could be construed to be self-contradictory, especially where the word “receipts” was used. The retirees then filed a lawsuit, claiming that certain receipts excluded by the agreement should have been included.

During the trial, the jury was sympathetic toward the retirees and generally interpreted the terms of the lease agreement in their favor, finding that fees specifically excluded from the agreement should have been included, namely the ski championship sponsor fees and the utility fees for condo rentals.

As a result, the fees payable by Sugar Pine to Outland were increased by about $400,000 per year over the 10-year period, totaling about $4 million. Sugar Pine then sued its CPA for failing to correctly determine the amounts payable under the lease agreement.

Loss prevention tips

The absentee owners were represented by a management team that did not adequately include them in the lease negotiations. The resulting agreement appeared to neglect the best interests of the elderly retirees, who turned to their own CPAs and attorneys to rectify a perceived wrong. In cases like this, the CPA should—

- determine, on an annual basis, who the stakeholders are in an engagement and make certain that they are receiving copies of the audit or other work, especially if the stakeholders are third-party beneficiaries of the work;
- insist in writing that all parties in a transaction, including hidden stakeholders, use legal counsel to represent their own unique positions.

One-size attorney does not fit all parties; consider having all parties involved afforded all of the same protections under the agreement. The CPA should avoid being exposed to broader liability from third parties or other stakeholders than his client is exposed to in the underlying agreement.

- have an attorney review the language in the agreement, vis-à-vis the actual business operations, and give an opinion to the firm about how the document should be interpreted;
- use the engagement letter to clearly define responsibilities, possibly excluding specific areas.

Ron Klein, J.D., CFE, is risk management counsel for Camico (www.camico.com). He has been with the company since its inception in 1986 and managed the claims department for 20 years. In his current role, he applies his knowledge of CPA professional liability issues to help Camico policyholders practice sound risk management.

For information on the Camico program, call Camico directly at 800-652-1772, or contact: (Uptate) Reggie Delfan, Lavely Service, Inc., 716-849-8618, and (Devostate) Dan Hudson, Chesapeake Professional Liability Brokers, Inc., 410-757-1932.
Signing a technology contract?
Don’t without asking these questions first

Joel Lanz, CPA/CITP, CFF, CISA, CISM, CISSP, CFE

Outsourcing technology—whether shifting IT services to a vendor or taking advantage of a slew of automated processes afforded by cloud computing—has never been more popular. It’s a frequent topic in accounting literature and a prominent talking point for presenters at accounting conferences. But, as with any business opportunity, in order to realize the benefits, entities must first reduce risk to a tolerable level reflective of their risk appetite. In other words, outsourcing IT requires a close reading of the fine print and a careful consideration of both the company’s expectations and the vendor’s realities. Here are key questions that your company or client should ask before signing on the dotted line, as well as a few examples of how CPAs can help to mitigate problems that might arise.

Question no. 1: Exactly how much will this cost?
Why it matters: While, in theory, the first vendor invoice should never come as a surprise to the buyer, in practice it frequently does. For one, technology contracts often require some sort of fee calculation that incorporates a flat price and additional fees based on variable factors. These factors might include, among other things, the number of transactions processed or the number of customer accounts, in addition to annual maintenance charges. As a result, it’s critical that the buyer understand the range of potential costs for the service purchased and all that it entails.

How CPAs can help: You’re well positioned to assist clients in understanding and verifying charges so that expenses can be appropriately considered in the client’s financial plans.

Question no. 2: What are we buying?
Why it matters: You’d be surprised how often flashy user interfaces get in the way of rationale decision making. Don’t be fooled by a slick presentation—before signing the contract, clients should always make sure they have a solid idea of what they’re buying. Are you getting the same software that was demonstrated? Will the version you ordered perform the functions you want, or will it require expensive add-ons? That’s particularly important, since clients may choose one software over another because of the unique features they believe it provides.

How CPAs can help: By having clients clearly define both their reasons for contracting the technology as well as their expectations, you can help ensure that desired functions are included in the contract.

Question no. 3: Will my data—especially confidential information—be safe?
Why it matters: You can’t assume that a high level of security is a given. Some vendors do offer enhanced security services—for example, they might provide customers with reports on testing performed by independent third-parties, including, but not limited to, Service Organization Control (SOC) reports. But in other situations, clients will want to include right-to-audit clauses that enable them to go onsite and verify conformance to contract provisions.

How CPAs can help: You can help clients interpret the types of reports provided, identify potential gaps that could result in residual risks and, if needed, assist in providing assurance over vendor practices through on-site observation.

Question no. 4: How can we learn how to best use the technology we’re buying?
Why it matters: Lots of businesses have purchased technology that they thought would transform their operations but, when actually implemented, fell far short of expectations. One oft-cited cause of disappointment: that a company’s employees are unable to take full advantage of the new program or product because, well, they don’t know how. The availability of training materials, including webinars and guides, and their cost should be a significant consideration prior to signing any technology contract.

How CPAs can help: You can help clients evaluate the quality of materials provided, assess gaps in employee skills and help develop training and awareness programs in order to realize business benefits.

Question no. 5: What happens if we change our minds?
Why it matters: Even with the best due diligence, the client may decide to change technology providers either during the contractual term or upon its termination. How that transition unfolds—the transferring of data, continuation of confidentiality obligations and penalty charges—should be clearly laid out. Entities should especially be on the lookout for auto-renewal clauses where contracts are automatically extended unless specific action is taken by the client.

How CPAs can help: You can support your company or client by developing appropriate mitigating controls that should be included in the contract.

Question no. 6: Have our attorneys reviewed what we’re signing?
Why it matters: Because you or your clients are signing a legally binding contract, it’s always a good idea to seek advice from a competent attorney. In addition to protecting a client’s legal interests, an attorney can develop the necessary business clauses to help ensure that desired objectives are achieved.

How CPAs can help: CPAs can assist their clients in specifying business requirements that the client’s attorney can ensure are incorporated into the contract.

Joel Lanz, CPA/CITP, CFF, CISA, CISM, CISSP, CFE, is the sole proprietor of Joel Lanz, CPA PC, 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.
CPA ROUNDTABLE

Interviews by Chris Gaetano

How can sole practitioners and small firm owners stay competitive?

Alan J. Straus | Sole Practitioner, New York

I think that in order to remain competitive you have to develop a specialty. Mine, for example, is tax matters. I don’t do audits or bookkeeping engagements or that kind of traditional work; I specialize in defending people before the IRS and doing tax planning for those who are either looking to sell a business or make investments. As both a CPA and an attorney, I also provide a one-stop shopping experience—in other words, if someone is looking for estate planning, I can draft the will, draft a trust for when that client passes away, file the estate tax return and do the probate in court. What some might need a whole team of professionals for, I can do on my own.

Because I specialize, a lot of my clients are referrals from other professionals who bring me in when they need my expertise. For instance, next week I have a meeting with a colleague who’s representing a client in a tax audit that seems to be going badly. I’ve come to be known as the guy you go to when you have tax questions or problems.

ajstraus@gmail.com

Rosemarie Giovinazzo-Barnickel | Sole Practitioner, Staten Island

Having a niche practice helps. I specialize in audits of employee benefit plans and small not-for-profit organizations. Since all of my clients are obtained through referrals from other CPAs, I stay very involved with the NYSSCPA, at both the chapter and state level, and make it known that I focus on these areas. Accordingly, when my colleagues at one of the CPA firms with a heavy concentration of tax work—of which there are many on Staten Island—have clients who need these types of audits performed, they will refer them to me or hire me on a consulting basis. And they never have to be concerned that I will try to take their clients’ tax work, as I do not do tax at all.

rbarnickel@mail.com

Martin Shenkman | Sole Practitioner, Rockland

With creativity, technology, collaboration and the right specialization, a sole practitioner doesn’t need to shrink away from the big boys. Instead, you can be the David to their Goliath.

Sole practitioners can think outside the box and be more creative, in many cases, than some of the big firms. They can also provide tailored services that others may not be able to, or may not wish to. For instance, when large firms do estate planning, which is my specialty, they do an incredible job technically, but they don’t always get to the heart of a particular client’s human or personal issues. Technology is also a major equalizer. Today there are systems that allow you do things that, until recently, were very expensive. I have an app that transcribes voice messages to my inbox, another that turns faxes into emails, a mobile hotspot so I can always be connected and web conferencing software so I can meet with clients whenever I need to. All of this enables me to be nimble and work from anywhere, rather than being tied to any one location. It also enables me to give a high level of response to clients.

Before any of these things, though, you need to have a specialty. You can’t be all things to all people, especially if you want to compete with the big firms, who have experts in every area. So choose a specialization that lets you compete with those experts, instead of trying to take on each and every one.

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Steven M. Kaplan | Sole Practitioner, White Plains

Taking full advantage of technology is important. It makes you efficient, so that you can get things done faster and cheaper and, in a world where everything needs to be value-oriented towards the client, that can give you a strong advantage. Not only in terms of the work, but also in terms of cost. The combination of the two results in a client paying more for valued advice and less for necessary, but not perceived as valuable, tasks, such as bookkeeping, data procurement and data entry. From a professional’s perspective, it also allows you to spend more of your time on things that are most enjoyable. There are a lot of great data aggregation tools that let you obtain and organize client information in different ways. Portals, too, are very helpful, as far as getting information and sharing work. I do a lot of work in the dispute resolution area, including collaborative divorce and collaborative business disputes, and portals help to keep everyone on the same page, as they can all view the same information at the same time. Using innovative technology also encourages clients to take advantage of it themselves, so they’re more efficient and run their businesses better, which can mean better business for you too.

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How charities can avoid misleading fundraising appeals

BY LUANA K. LEWIS

Through fund-raising solicitations, charities inform donors about how supporting their activities will advance their missions. To a great extent, these missions are the core reason why they are tax exempt under IRC Section 501(c)(3).

But when charities fail to explain their activities accurately and adequately, they may mislead donors and potentially attract negative scrutiny—or even regulatory action.

Indeed, if a charity misleads donors through fund-raising appeals, it might be sued by the New York Attorney General’s Charities Bureau. For example, on July 21, the Attorney General’s office issued a press release announcing that it had filed a court action “to shutter” the National Children’s Leukemia Foundation, after an investigation revealed that the organization “did not conduct most of the programs advertised on its website and in its solicitations.”

This case illustrates the following point: You might lose your ability to operate in New York if you don’t conduct solicitations with transparency, integrity and accuracy. Recent state actions against New York charities have also made it clear that the New York Attorney General’s office can and will hold charity officers and board members responsible for fund-raising misdeeds.

In some cases, fund-raisers may not recognize that their solicitations could be considered misleading. These situations typically come about when fund-raisers use imprecise, incomplete or inaccurate language or graphic designs to illustrate how a donor’s money will be used by a perfectly legitimate charity. Even large and sophisticated charities can make big mistakes by failing to vet solicitation language and images carefully.

Fund-raising appeals are increasingly conducted in new formats such as social media channels, which can make adequate disclosure at the point of solicitation very difficult. This marketing challenge does not relieve a charity of its obligation to disclose, upfront, the terms and conditions that might reasonably affect a donor’s decision to give. In a commercial marketing transaction, “clear and conspicuous disclosure” at the point of purchase is what consumers and regulators expect. The same general principles apply to charitable donations, which are also exchanges of a sort.

According to the Better Business Bureau’s (BBB) Standards for Charity Accountability, a charity should “have solicitations and informational materials distributed by any means that are accurate, truthful and not misleading, both in whole and in part.” Problems can occur when charities fail to consider that a fund-raising appeal may be literally truthful in its wording yet still be misleading, however, because it omits critical information, uses a graphic representation that creates a false impression or is inaccurate in some other way.

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SOME CPA RISKS ARE NOT WHAT THEY APPEAR TO BE...

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Recommendations for charities

• Be accurate when using stories and images in appeals. Successful fund-raising solicita-
tions often use a story to encourage a donor’s emotional connection with the charity’s work. Impact case stories should refer to genuine individual cases, rather than amalgams of cas-
es. Photos and results descriptions should be current; anything over three years old should disclose the actual time period involved.

• Include a current program description. All appeals—even renewals—should include a clear description of the charity’s recent activities. Don’t assume that the donor knows what your organization has been doing lately.

• Watch out for timing expectations. Urgent appeals, especially after a disaster, can provide potential donors with the expectations that funds will be spent just as quickly as they are raised. If that is not the plan, be clear right upfront about the timing of the char-
tity’s expected actions, as well as all potential uses of funds. This will help to ensure that donors do not feel misled, and can also help guard against serious reputational or regula-
tory problems.

• Document all fund-raising claims. There’s a simple mantra that can help serve as a sniff test when a charity is preparing a fund-raising appeal: “If you say it, be sure you can prove it; if you can’t prove it, don’t say it.”

• Be careful if using financial ratios in ap-
peals. Make sure that there is financial doc-
umentation or other substantiation to back up every financial reference, ratio or pie chart used in appeals. Check to be sure that these are the most current figures and not figures that were valid years ago.

• Be especially cautious about “100 percent” claims. For example: A charity may claim that “100 percent of your donation will support our programs” in fund-raising statements. This is not a recommended type of appeal because it reinforces the destructive public perception that charities don’t need administrative or fund-raising dollars to operate. If a charity chooses to make such a 100 percent claim, it should also disclose how this claim is substan-
tiated: Is a donor underwriting fund-raising and administrative costs, so that further do-
nations can be attributed to programs? That should be disclosed right in the fund-raising claim—and you should be able to back it up with documentation if asked to do so by the BBB or by investigative reporters.

• Get development staff out of their silos. To ensure accuracy, development officers need to talk to their executive directors, general counsels and chief financial officers about the development of fund-raising appeals. All too often, this doesn’t happen, and the mistakes that result can be unfortunate.

• Establish and enforce fund-raising prac-
tice guidelines. Mistakes are more likely to occur when there are no guidelines to follow. It’s a good idea to establish policies, vetting processes and training procedures so that current and new staff or volunteers will un-
derstand what can and cannot be said, done or depicted in a fund-raising appeal eman-
grating from your organization. Guidelines are of little value if they are not enforced, so be sure that you also have a good process for monitoring your nonprofit’s fund-raising ap-
peals and practices.

• Bring in professionals when necessary. If your organization is committing its dol-
ars and prestige to an important fund-raising campaign, it really pays to check the language and imagery used in that appeal with an accounting or legal professional. Fund-raising appeals can be too narrowly phrased, as well as too vague. Charity leaders should ensure that the language and other appeal elements are broad enough to convey the intended uses of the donated funds, but also specific enough to commu-
nicate the funding purposes accurately. This can sometimes be tricky, especially in quick turnaround situations (such as disaster-re-
lated appeals), so seek professional advice when it is needed.

• Put fund raising on your board’s risk man-
agement dashboard. If regulators might hold your board responsible for the way in which your organization conducts its fund-raising appeals, your board members will need to know the key facts about how it is being done. Put fund-raising solicitations on the board’s risk management checklist and report regularly on highlights of your monitoring efforts, so that board members can stay in-
formed of and engaged in this issue.

Board members should also be informed about financial arrangements with major out-
side fund-raising firms, such as telemarket-
ers, in order to verify that the terms will be in your organization’s best interests and that appeals made on your charity’s behalf by the fund-raising firm will be accurate. Make fund raising a board-level priority will help ensure that it is an organizational priority.

Protect the donor. Here’s another simple test: Look at your fund-raising appeal from the donor’s perspective. Does it clearly tell you all that you would reasonably want to know before making a donation? If it doesn’t, work on it until the appeal is very clear. Hint: Be-
fore omitting any key information, carefully consider whether that information should, in fairness, be disclosed to donors.

Nurture a culture of disclosure and accura-
cy. It can often be hard for an organization’s enthusiastic marketing team to step back and take a donor’s view of a clever fund-raising appeal. Creative minds can naturally get very married to their creations. If a charity has established a strong organizational culture of integrity, development team members will be far more likely to check solicitations carefully before launching them.

The most attractive fund-raising appeal in the world will not do any good if it is poten-
tially misleading. There is no more pre-
cious resource than donor trust in the charity world. Once donor trust is gone, then, so is all hope of raising money.

Testing an appeal for accuracy and ade-
quise disclosure should be as much a part of the development process as testing an ap-
peal’s fund-raising drawing power. Strong leadership from the top about such matters is needed in order to establish expectations and practices that will help protect your charity and ensure its fund-raising success.

Laura K. Lewis is the senior vice president of programs and services at the Better Business Bu-
reau Serving Metropolitan New York.

This story originally appeared in the NYSSCPA’s online publication the TaxStringer.

On the first of each month, top CPAs, attorneys and other professionals write about the latest and most important tax developments for the members of the NYSSCPA in the Tax Stringer, the NYSSCPA’s electronic tax newsletter. From the tax implications of the ACA, to the recent controversy over the MCTMT, to special New York rules for flow-through entities, the Tax Stringer covers it all.

To sign up for this free, members-only publication, log in at www.nysscpa.org.

Then click on “Edit Profile - Email Preferences.” You will see a list of NYSSCPA publications. Check the Tax String-
er—and any other NYSSCPA publications you’d like to receive—and it will arrive in your inbox starting with the next issue.
Adding PFP to your practice? Speakers offer step-by-step guidance

BY CHRIS GAETANO
Trusted Professional Staff

D o CPAs have a place in personal financial planning (PFP)? A few decades ago, that might have been a provocative question.

Take, for example, “Accountants as Financial Planners,” a 1991 New York Times story about the AICPA’s efforts to highlight CPAs who ventured into PFP. Putting the accounting profession on the defensive, the article wondered, “Why should the public get their financial advice from CPAs, as opposed to non-accountants?”

Stuart Kessler, an NYSSCPA past president who was interviewed for the piece, offered one succinct answer: Because CPAs “are bound by enforceable standards of conduct. The CPA is thought of in the public mind as an agent expert who co-led a discussion about using tax information to identify financial planning needs.

On the other hand, the speaker said, firms that do take a bite of the apple could find themselves playing an even more prominent role in their clients’ lives.

The conference, organized by longtime CPA educator Sid Kess and Steven V. Melnik, an associate professor of tax law at Baruch’s Zicklin School of Business, featured Kessler as its keynote speaker.

Reiterating the point he made to the Times 24 year ago—that CPAs are a natural choice for PFP services—he said the number one benefit of the practice area for firms is that it helps to grow strong client relationships.

If a CPA does a good job of shepherd ing a client’s personal finances, Kessler making money to give significant thought to managing it—or other professionals, like lawyers. Most attorneys, Kessler said, focus on their clients so much that they give short shrift to themselves. As a result, he said, “their estates are a mess.”

Regardless of whom a CPA seeks out, Kessler advised setting up a casual meeting, where, instead of delivering a lecture about the importance of financial planning services, he or she takes the time to listen to the client’s needs.

However, CPAs shouldn’t feel pressure to offer services to every client they’ve ever had; in fact, according to Deborah Fox, the CEO and founder of a financial planning network, they probably shouldn’t. Instead, at least in the initial stages, CPAs should look at their client list and identify who among them might benefit from PFP

“Every time I meet with [a planner] who is not a CPA, the first thing they tell me is, ‘I would give my right arm to be in a position where my client had to talk to me once a year!’”

—Walter M. Primoff, a financial executive and personal financial consultant

But in recent years, the conversation has shifted. The PFP industry has undergone rapid expansion—according to the U.S. Department of Labor, the number of financial planning advisers is poised to grow 22 percent by 2022—and, more and more, CPAs are leading the charge. In an AICPA survey of 2,400 CPAs last year, nearly half said that their firm offers PFP services.

The new question, according to several speakers at The CPA as Financial Planner Conference, a joint event presented by Baruch College and the Foundation for Accounting Education on July 15–16, is directed at CPA firms that may be watching from the sidelines: Why aren’t you offering PFP services?

As it touched upon a wide range of PFP opportunities, from elder care plans to planning for college, the conference had one overarching message: This practice area cannot be ignored. Indeed, according to data from the market research and long-range forecasting company IBISWorld, the demand for PFP is set to outpace the demand for general accounting by 2017.

“Firms that don’t provide financial planning or at least align themselves with those that do are not only growing at a much smaller rate, but many have been losing clients to firms that have more services than a small practitioner may provide,” said David A. Frisch, a wealth manager,紊乱或企业官员 who co-led a discussion about using tax information to identify financial planning needs.

Said Mr. Frisch: “It’s not just CPAs who are doing this. Many other types of financial planners, such as attorneys, insurance agents, and even some brokers, are also offering financial planning services to their clients. However, it’s important to note that CPAs have a unique advantage when it comes to financial planning, as they are subject to a high degree of regulatory oversight and are required to maintain a high level of expertise in their field.”

Fisher also noted that CPAs have a long history of working with clients on a variety of financial planning issues, including tax planning, estate planning, retirement planning, and other related areas. This experience gives CPAs a strong foundation for providing comprehensive financial planning services to their clients.

Another point to keep in mind: CPAs don’t need to know everything, in order to offer effective financial planning services. If a CPA doesn’t feel comfortable navigating a certain topic, Frisch said, he or she can always partner with someone who does.

“The goal here is not to be one of the spokes in the wheel,” he added. “The goal here is to be the middle of the wheel, directing where things are going.”

Regulatory concerns

Before setting up a financial planning practice, it’s vital to ensure compliance with relevant regulations, of which there are many. Jonathan L. Gassman, who led a session on regulatory rules and standards, noted that the AICPA added guidelines for CPAs who act as personal financial planners to its Code of Professional Conduct on July 1, 2014, which most state boards of accountancy have since adopted. The institute’s Statement on Standards in Personal Financial Planning Services (SSPFPS 1) encompasses topics such as general professional responsibilities, responsibilities of members in personal financial planning engagements, the planning of engagements, and working with other service providers. It’s currently available at aicpa.org.

According to the AICPA, the standards apply to a practitioner if he or she provides cash flow planning; risk management and insurance planning; retirement planning; investment planning; estate, gift and wealth transfer planning; elder planning; charitable planning; education planning; or tax planning.

“If you’re helping clients ascertain where they are today vs. where they want to be in the future, [and] you are providing specific recommendations ... it’s very, very important you follow the guidelines,” Gassman said.

As an additional word of caution, John S. Marten, a shareholder at Vedder Price and member of the firm’s Investment Services group, noted that CPAs who dole out specific investment advice about securities would likely be considered by the SEC to play an investment adviser’s role, meaning they would need to register as an investment adviser, adhere to the standards promulgated for investment advisers and maintain a compliance program in order to ensure that those standards are being followed. The SEC defines an investment adviser as anyone who, for compensation, is engaged in the business of providing advice; making recommendations; issuing reports; or furnishing analysis on securities, either directly or through publications. While CPAs are generally exempt from SEC registration, that only applies if such services are incidental to their profession and if they’re providing limited investment advice.

“If you crossed that line from financial planning to investment advice, you need to register,” Marten advised.

The NYSSCPA offers additional resources for CPAs interested in personal financial planning through its Personal Financial Planning Committee, which holds meetings approximately nine times a year. For more information, visit nysscpa.org/membership/committees.

cgaetano@nysscpa.org
October is Financial Planning Month and, once again, the Society is set to hold several financial education and financial literacy events. In the past, various NYSSCPA chapters have hosted seminars, participated in outreach clinics, or given informational talks at the public library. This year, the Society will be hosting free Financial Fitness fairs and Money Brunch seminars, with our CPA members offering introductory financial education sessions and one-on-one financial consultations to young adults, college students, families, individuals, small business owners and seniors.

Here’s where you come in: We need CPA volunteers to help lead some of the discussions, as well as answer questions from attendees. We’ll be fielding questions on basic individual and small business tax issues, 529 plans and making college affordable, budgeting and credit, insurance, Affordable Care Act tax implications, investing and estate planning.

The Society will be holding events in the New York City metro area on the following dates:

- Oct. 3 - Molloy College on Long Island, 10 a.m.–2 p.m.
- Oct. 17 - Per Scholas in the Bronx, 10 a.m.–2 p.m.
- Oct. 23 - NYPL Science and Business Library in Midtown Manhattan, 11 a.m.–6 p.m.
- Oct. 24 - Eagle Academy Bronx, 10 a.m.–2 p.m.
- Oct. 31 - Brooklyn Money Brunch location TBD

As we will be working in teams and shifts, only a few hours of your time is needed at each event.

We’ll also be pitching various news outlets throughout the month—radio, TV and online, as well as print—and will need a few CPA volunteers to represent the Society as the need arises. As a prerequisite for participating in media interviews, members are asked to attend our free media training seminar on Sept. 23, from 9 a.m.–12 p.m., either in person at the NYSSCPA’s Wall Street offices or via webcast.

If you’re interested in volunteering a few hours of your time for public service events or media outreach opportunities, or if you’d like to hold an event in your area with your chapter, please email Alonza Robertson, NYSSCPA media relations manager, at arobertson@nysscpa.org. Please put “Financial Planning Month” in the subject line of your email.

CPAs: Here’s how you can support the Society’s financial literacy initiatives

BY ALONZA ROBERTSON

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In 1987, when the NYSSCPA and its Foundation for Accounting Education launched Career Opportunities in the Accounting Profession (COAP) as a way to introduce young people to the field, they started small. Organizers hosted just 25 college-bound students at a single campus, Pace University in Pleasantville.

Since then, the free summer program has grown exponentially. It drew more than 200 high school juniors this June and July, and the roster of participating campuses now contains public and private schools throughout the state, including Adelphi University, Buffalo University, Long Island University (LIU), University of Albany, Pace, St. John’s University, State University of New York at Oswego and Westchester Community College. The programs are organized and led by local NYSSCPA chapters.

What’s more, COAP, which gives special attention to populations that are underrepresented in the profession, finds innovative ways to showcase the breadth of accounting careers and offer young people direct interaction with CPAs and business leaders each year.

For example, students who participated in the 2015 program at Adelphi had Leonard Labita, vice president and controller of the New York Mets, as a guest speaker, and got to take in a ballgame at Citi Field stadium. Students who attended the St. John’s program in Queens, heard from FBI special agent Thomas O’Grady, who offered an overview of what his job entails.

COAP also assists students long after the summer ends. Participants are eligible for a college scholarship that provides $2,000 per year for up to five years for students studying accounting at a college or university in New York, with the goal of becoming a CPA. The program also boasts an alumni community of more than 3,000, many of whom have gone on to become CPAs.

Here’s a look at some highlights from 2015 COAP programs.
Every chapter of the New York State Society of CPAs has a NextGen Committee, and extends membership to young CPAs throughout the state.

Find out how to become involved by contacting Tekecha Morgan at tmorgan@nysscpa.org or call 212-719-8425.
The NYSSCPA and its Foundation for Accounting Education gratefully acknowledge the leadership and generosity of the following CPAs, firms and companies who contributed to the Moynihan Fund at the Society’s 118th Annual Meeting and Dinner.
In Buffalo, a powerful reminder and an urgent call to action

BY BRUCE M. ZGODA
Buffalo Chapter President

Some are blessed to be teachers, but we all have the opportunity to shape a mind, to shape a life.”

These words were spoken by David J. Moynihan, the Society’s 2009–2010 president, whom we lost in January. You’ll be hearing more about Dave and his legacy in upcoming months—our chapter will be collecting donations for the Moynihan Fund, an educational trust the NYSSCPA created in Dave’s honor, at our ethics update in October. The fund finances the Foundation for Accounting Education’s student scholarships and programs, such as Career Opportunities in the Accounting Profession (COAP), and allows us to extend a hand to future generations, just as our predecessors did to us. For more information about the fund, visit www.gofundme.com/carryitforward.

Dave’s words remain a powerful call to action. When I reflect on my 40-plus years in this profession, it’s clear that we truly are trusted advisors, not just in our work lives, but in our everyday lives. We’re held to a higher standard than most, and we should accept the challenge to be models of integrity and morality. Whether it’s at work, at home or out in the community, we all have the ability to set a powerful example for others.

At our Summer Symposium, which was held in late July and headed by Greg Altman, Pat McGrath and Ed Arcara, we got a stark reminder that we as CPAs must always keep our eyes and ears open, and can never let greed and power influence our judgment. The event’s speaker, Richard M. Scrushy, is the founder and former CEO of HealthSouth Corp and was convicted on bribery and corruption charges in 2006. Now that he has served out his sentence, he frequently speaks about fraud.

As we mark the start of the school year, our chapter has many activities on the horizon. We will be speaking about the profession at local high schools and trying to get students excited about all that it has to offer. The NextGen Committee, led by Christie Adamczak, organized an outing to a Buffalo Bisons baseball game on Aug. 27 and has its Annual Golf Outing scheduled for Sept. 17. There are also some exciting CPE seminars coming up, so that we can continue to serve our members’ educational needs.

As I always do, I’d like to remind young CPAs that it is never too early to join us. We need your insight, fresh ideas and enthusiasm. In turn, we can provide experience and leadership that will help to guide you as you become our next generation of leaders. We will not turn you away if you give us a chance. Thank you for your continued support.

MATTHEW P. BRYANT
Rochester Chapter President

One of my goals this year, particularly as a CPA in industry, is to strengthen our chapter’s Industry Committee. We’ve secured a remote location here in Rochester for our members to view the webcast of the NYSSCPA’s Industry Conference on Oct. 16: The offices of EFP Rotenberg, LLP, which are located at 280 Kenneth Drive, Suite 100. This event will allow chapter members and nonmembers to network while enjoying breakfast and lunch—provided at no additional cost—and earning eight hours of CPE. In other words, for what it would cost to watch the webcast alone at your desk, you can join me and other industry accountants for a day of networking and education, with meals included. I’ve attended the Industry Conference in the past and found it to be a good platform for discussing challenges my company faces with others who have similar concerns.

Attending the conference also helped me to increase my network of industry accountants, which has had long-term benefits. For one, it allows me to reach out to even more individuals and gain insight on a variety of situations. As an example, I have asked others in my network how they encourage customers to sign up for electronic funds transfer payments to decrease payment processing time, while avoiding the fees involved with credit card payments. I received several creative answers to this query, and my company even used one of the ideas.

Our chapter’s Industry Committee is also working on a state taxation seminar for late fall or early winter that will address daily challenges CPAs in the business sector face. Personally, I like to manage our company’s structures, sales tax returns and tangible property tax returns in house. However, given the vast difference in reporting requirements by state, I sometimes need to seek outside advice on these matters. One of the goals of our state taxation seminar is to help CPAs address such a problem and identify the various registrations that may be required.

Another challenge I encounter as a CPA in industry is finding high-quality, reasonably priced CPE. The Industry Conference provides great value, with first-class material, at a reasonable cost. In addition, our chapter is working with potential sponsors for the state taxation seminar in an effort to offer another reasonably priced CPE session. I will continue to look for additional CPE opportunities for our industry members and welcome suggestions about potential CPE topics.

Setting up small group meetings with eight to 12 finance leaders is also a good way for our chapter’s industry members to meet others in similar roles and share ideas. Our industry members represent a wide range of business sectors, but are a number of topics that are applicable to nearly everyone. If you are one of our chapter’s industry members and are interested in meeting with other finance leaders to discuss topics of mutual interest, please email me at the address below and I will add you to the list of interested members.

While I have taken the reins on some of these industry events so far, I need your help in developing leadership in our chapter’s committee. With a committee of four, we could split into pairs, with each pair scheduling one event. The time commitment for the Industry Committee would not be overwhelming, and it is a great opportunity to make new contacts and meet the rest of our chapter’s board. If you’re interested in working on our chapter’s Industry Committee, please email me.

Lastly, our annual ethics/clambake/Hall of Fame event, took place on Sept. 22 at Monroe Golf Club. The program began with a free two-hour ethics CPE session and included a social hour before the start of the clambake/Hall of Fame portion of the program. The Hall of Fame award is handed out each year by our chapter to a CPA who has made significant contributions to the NYSSCPA and the accounting sector. The 2015 NYSSCPA Rochester Chapter Hall of Fame recipient is Joyce Martelli. Please join us in recognizing Joyce for her years of hard work to earn this recognition.

This year, we also collected donations for the Moynihan Fund. The Society launched the fund in March, in honor of the NYSSCPA’s late 2009–2010 president David J. Moynihan. The fund is administered by the Society’s Foundation for Accounting Education (FAE), and will encompass all of the FAE’s college accounting scholarships and high school accounting introduction programs. Please keep the fund, and all those it will benefit, in mind throughout the year.

mbryan@pharmamart.com
**CHAPTER EVENTS & CPE**

**ADI RON DACK**
**Annual Tax Conference and Town Hall Meeting**  
When: Nov 16, 9 a.m.–5 p.m.
Where: The Inn at 1795, Route 9W, New Paltz
Cost: TBD
Contact: Maria Petrollese at maria@info-byte.com

**BUFFALO**
**Buffalo Chapter Ethics Update (General Ethics)**  
When: Oct 22, 7–9 p.m.
Where: Solvay’s Italian Gardens, 6441 Transit Road, Depew
Cost: TBD
CPE: 2 (general ethics)
Course Code: 42126260
Register online or Call: 800-537-3635
Contact: Nathan Falkas at nathanfalkas@cppa.com

**MANHATTAN/BRONX**
**CPE Ethics Update and Town Hall Meeting**  
When: Oct 5, 6–8:15 p.m.
Where: ME Learning Center, 14 Wall St, 19th Fl.
Cost: TBD; 525 nonmembers
CPE: 2 (general ethics)
Course Code: 42126260
Register online or Call: 800-537-3635

**NASSAU**
**Grantor Trusts and the Taxation of Trusts**  
A Comprehensive Review and Update
When: Sep 29, 8–10 a.m.
Where: Fairfield Fizz PC, 1200 RXR Plaza, Uniondale
Cost: With buffet breakfast $110 members; $20 nonmembers; free without breakfast
CPE: 2 (taxation)
Course Code: 29036607
Contact: Lisa Damante at ldamante@nem ca.com

**GAAP & Financial Reporting Update**  
When: Sept 30, 8–10 a.m.
Where: Law Office of Walter Lipe & Goldstein, 190 Willets Avenue, Merrick
Cost: $10 per person
CPE: 2 (accounting, 1 auditing)
Course Code: 29036160
Contact: Mark Guicci at mg@mgui cchi.net

**Queens/Brooklyn**
**Queens/Brooklyn Chapter NY Care’s Day**  
When: Oct 17, 9:30 a.m.–2 p.m.
Where: TBD
Cost: TBD
CPE: TBD
Course Code: 29166010
Register online or Call: 800-537-3635

**Queens/Brooklyn Annual Tax Conference**  
When: Nov 4, 8–10 a.m.
Where: NY State Department of Taxation and Finance, 155 State Tech Center, Brooklyn
Cost: $100 member; $125 nonmember
CPE: 2 (taxation)
Course Code: 28616612
Register online or Call: 800-537-3635

**Rochester**
**Rochester Chapter 18th Annual CPE**  
**CPE Ethics Update, Town Hall, Clambake and Hall of Fame**  
When: Sept 22, ethics 3–5 p.m., officers 5–5:30 p.m.
Followed by a reception, clambake and Hall of Fame awards
Where: Monroe Golf Club, 155 Golf Ave., Pittsford
Cost: TBD
CPE: 2 (general ethics)
Course Code: 42052603
Register online or Call: 800-537-3635

**NORTHEAST**
**CPE Ethics Update and Bankers Dinner**  
When: Nov 5, 4–5:30 p.m.
Where: The Desmond Hotel & Conference Center, Albany
Cost: TBD
CPE: 2 (general ethics)
Course Code: 42022605
Register online or Call: 800-537-3635

**Nassau**
**Grantor Trusts and the Taxation of Trusts**  
A Comprehensive Review and Update
When: Sept, 29, 8–10 a.m.
Where: Upstate, 10 Mohawk Ferry, Hasbrouque
Cost: $175 members, $250 nonmembers
CPE: 2 (accounting, 1 auditing)
Course Code: 28103622
Register online or Call: 800-537-3635

**Queens/Brooklyn**
**Queens/Brooklyn Chapter NY Care’s Day**  
When: Oct 17, 9:30 a.m.–2 p.m.
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Cost: TBD
CPE: TBD
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Cost: TBD
CPE: TBD
Course Code: 29166010
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When: Nov 4, 8–10 a.m.
Where: NY State Department of Taxation and Finance, 155 State Tech Center, Brooklyn
Cost: $100 member; $125 nonmember
CPE: 2 (taxation)
Course Code: 28616612
Register online or Call: 800-537-3635

**CPE Ethics Update and Town Hall Meeting**  
When: Nov 9, 6 p.m.–8:15 p.m.
Where: St. John’s University, 8000 Utopia Pkwy, Jamaica
Cost: TBD
CPE: 2 (general ethics)
Course Code: 42166010
Register online or Call: 800-537-3635

**Southern Tier**
**Southern Tier Annual Tax Conference**  
When: Oct 22
Where: Holiday Inn At 1 AAM, 2–8 Halley St, Binghamton
Cost: TBD
CPE: TBD
Course Code: 29066063
Register online or Call: 800-537-3635

**CPE Ethics Update and Town Hall Meeting**  
When: Nov 9, 6 p.m.–8:15 p.m.
Where: St. John’s University, 8000 Utopia Pkwy, Jamaica
Cost: TBD
CPE: TBD
Course Code: 42166010
Register online or Call: 800-537-3635

**Staten Island**
**Monthly Membership Meeting and Town Hall with NYSSCPA president and president-elect,**  
When: Oct 6, 6:30 a.m.
Where: Harbor Cafe, 674 New Dorp Ln., Staten Island
Cost: TBD
CPE: TBD
Course Code: 45076003
Contact: Rosemarie Giovinazzo-Barnickel at rgbcpa@nysscpa.org

**CPE Ethics Update and Town Hall Meeting**  
When: Nov 2, 4–6 p.m.
Where: 8000 Utopia Pkwy, Jamaica
Cost: TBD
CPE: TBD
Course Code: 42062608
Register online or Call: 800-537-3635

**Rockland**
**Love, Death & Finance and Business Succession Planning**  
When: Oct 22, 8:30–11 a.m.
Where: City Line Restaurant, 255 S Main St, New City
Cost: TBD
CPE: TBD
Course Code: 29176603
Contact: Stan Biek at sbiek@cppa.com

**Queens/Brooklyn**
**Queens/Brooklyn Chapter NY Care’s Day**  
When: Oct 17, 9:30 a.m.–2 p.m.
Where: TBD
Cost: TBD
CPE: TBD
Course Code: 29166010
Register online or Call: 800-537-3635

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Northeast Chapter marks another successful season of COAP

BY TIMOTHY DOYLE
Northeast Chapter President-elect

The Northeast Chapter’s Career Opportunities in the Accounting Profession (COAP) program completed another successful year this July. During our three-day gathering, approximately 30 high school juniors participated in classroom events and field trips that offered insight into the profession. Topics of discussion included available scholarships, career opportunities, interviewing skills and the CPA exam. Throughout the program, the participants met with accounting professionals from public and private accounting firms, as well as academia. We thank all who volunteered their time and hope to see the 2015 COAP class join the ranks of the accounting profession in coming years.

Rockland’s goal: affordable, quality CPE

BY SHARI E. BERK
Rockland Chapter President

I hope everyone had a wonderful summer and enjoyed spending time with family and friends. Our summer CPE programs were very informative and I hope those of you who attended found them to be beneficial and cost effective. We strive to bring our chapter a reasonable, quality continuing education. If there are topics of interest to you that you would like to see covered in upcoming sessions, please let me know.

On Aug. 6, we held our make-up Family and Friends Night at Provident Bank in Pomona to catch a Rockland Boulders baseball game. We had initially scheduled the outing for June, but it was rained out. Thank you to the Boulders who moved us to the owner’s suite. It was great—and this time we even got to experience the fireworks show.

Our Ethics/Town Hall Meeting will be held on Nov. 17 at Casa Mia Manor House; registration will be available online shortly. We are still in the midst of planning our year-end tax seminar. More details will follow and, as always, you can check our Web page, nysscpa.org/rockland for updated information.

If anyone is interested, we always need members to contribute ideas and efforts to our committees and the events we plan. Fresh faces and ideas are always welcome. Remember, this is your chapter too.

Don’t forget to check our web page, which is regularly updated with upcoming events, and feel free to contact me with your comments and suggestions for future activities.

shari@berkpage.com

Westchester kicks up the fun factor

BY MICHELE LAZZARA
Westchester Chapter President

It took so long for the summer to finally arrive and then it was over before we knew it! Hopefully, you managed to have a little fun and get some rest.

As a chapter, we’ve had a lot of fun in recent months. On June 23, we held our first joint baseball outing at Provident Bank Park, home of the Rockland Boulders, with the Rockland Chapter. We had a bon and the accommodations were terrific. Unfortunately, the weather wasn’t—it rained so hard that they had to call the game before it began. We were, however, able to reschedule for Aug. 6. It was nice to attend a social event as a group and meet people from the Rockland Chapter.

We also had our annual golf outing on June 8. After a fantastic three-year run at Glen Arbor Golf Club, we changed courses and moved the event to its new home at Willow Ridge Country Club. Based on the feedback we received, every one of our participants enjoyed the event. The golfers were treated to a beautifully manicured course, with ample food and drink throughout the day, followed by an incredible cocktail hour and buffet with prizes awarded for talent—and just plain luck.

I would like to, once again, thank the golfers, hole sponsors and those who joined us for dinner and drinks. A very special thank you to M&T Bank, Rukow Commercial Realty Group and Prime Pay. I greatly appreciate those who attend or sponsor this event year after year.

I would also like to thank Jeff Schwartz, who continues to do an amazing job organizing this event.

MLazzara@markspanet.com
The NYSSCPA expresses appreciation to the following firms and businesses for their participation in the Society’s 100% Membership Program. To learn how your organization can enroll and demonstrate its commitment to excellence, visit nysscpa.org/membership.

Benefits of the 100% Membership Program

- Differentiates your firm and helps attract new clients to further build your practice
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To learn more about your benefits and how you can join the 100% Membership Program, contact Diane Abela, Project Administrator, at 212-719-8397, or dabela@nysscpa.org.
### FAE LISTINGS

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

<table>
<thead>
<tr>
<th>If you are</th>
<th>8-hour course</th>
<th>16-hour course</th>
</tr>
</thead>
<tbody>
<tr>
<td>A member of both AICPA and NYSSCPA:</td>
<td>$269</td>
<td>$439</td>
</tr>
<tr>
<td>Only a member of the AICPA:</td>
<td>$299</td>
<td>$499</td>
</tr>
<tr>
<td>A member of neither AICPA nor NYSSCPA:</td>
<td>$394</td>
<td>$564</td>
</tr>
</tbody>
</table>

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.

### FOR OCTOBER 1, 2015, THROUGH OCTOBER 30, 2015

#### ADIRONDACK

**AUDITING**
10/2
Governmental and Not-for-Profit Annual Update
See course listing under Accounting.

**BUFFALO**

**ACCOUNTING**
10/7
FAE’s Financial Statement Disclosures for Small to Medium-Sized Businesses
Common disclosure issues associated with preparing financial statements for nonpublic, small to medium-sized businesses.
AC/8 21153683
Buffalo/Niagara Marriott
Foundation for Accounting Education
$299/$424

10/8
FAE’s Accounting Update 2015
Real-time information on accounting guidance and recent developments.
AU/8 21111683
Buffalo/Niagara Marriott
Foundation for Accounting Education
$299/$424

AICPA Pricing Schedule

#### MANHATTAN/BRONX

**ACCOUNTING**
10/16
Business and Industry Conference
See course listing under Accounting.

**AUDITING**
10/15
Taxation
See course listing under Accounting.

**E/4**
Specialized Knowledge
10/16
Business and Industry Conference
See course listing under Accounting.

**AUDITING**
10/21
Construction Contractors Conference
See course listing under Accounting.

**T/9**
Construction Contractors Conference
See course listing under Accounting.

**E/4**
Specialized Knowledge
10/28
Closely Held and Flow-Through Entities Conference
See course listing under Accounting.

**WEBCASTS**
10/16
Business and Industry Conference
AC/1, SK/6, T/1 35100611
Foundation for Accounting Education
$299/$375

Foundation for Accounting Education
$100/$285/$410

10/21
Construction Contractors Conference
AC/1, SK/3.5, T/3.5 35537611
Foundation for Accounting Education
$285/$410

**ADVISORY SERVICES**
10/27
Risk Management Conference
AD/8 25700611
Foundation for Accounting Education
$249/$310

**T/8**
Closely Held and Flow-Through Entities Conference
See course listing under Accounting.

**E/4**
Specialized Knowledge
10/29
Anti-Money Laundering Conference
AD/8 35130611
Foundation for Accounting Education
$249/$310

**AUDITING**
10/27
Fraud Update: Detecting and Preventing the Top Ten Fraud Schemes
Learn how major frauds are perpetrated and about the types of cost-effective controls that identify and prevent these acts.
AU/8 32281611
FAE Learning Center
AICPA
$299/$424/$269/$394

### SPECIALIZED KNOWLEDGE

10/16
Business and Industry Conference
See course listing under Accounting.

10/21
Construction Contractors Conference
See course listing under Accounting.

**TAXATION**
10/19
Partnership and LLC Taxation: Advanced Issues
How to help your clients plan partnership and LLC transactions to minimize taxes.
T/8 34606611
FAE Learning Center
Nichols Patrick CPE, LLC
$299/$424

10/16
Business and Industry Conference
See course listing under Accounting.

10/21
Construction Contractors Conference
See course listing under Accounting.

**WEBCASTS**
10/16
Business and Industry Conference
AC/1, SK/6, T/1 35100611
Foundation for Accounting Education
$285/$410

FAE’s Ethics Update 2015 for Members in Business
A look at critical standards and regulations, as well as the fundamental concepts underlying your ethical responsibilities.
E/4 21277673
Holiday Inn Rochester Airport
Foundation for Accounting Education
$149/$209

10/30
FAE’s Ethics Update 2015 for Public Practice
A look at critical standards and regulations, as well as the fundamental concepts underlying your ethical responsibilities with regard to public practice.
E/4 21277674
Holiday Inn Rochester Airport
Foundation for Accounting Education
$149/$209

### SYRACUSE

**ACCOUNTING**
10/28
FAE’s Accounting Update 2015
Real-time information on accounting guidance and recent developments.
AC/8 21111653
Doubletree Hotel
Foundation for Accounting Education
$299/$424

10/30
FAE’s Financial Statement Disclosures for Small to Medium-Sized Businesses
Common disclosure issues associated with preparing financial statements for nonpublic, small to medium-sized businesses.
AC/8 21153651
Doubletree Hotel
Foundation for Accounting Education
$299/$424

### ROCHESTER

**ETHICS**
10/30
FAE’s Ethics Update 2015 for Members in Business
A look at critical standards and regulations, as well as the fundamental concepts underlying your ethical responsibilities.
E/4 21277673
Holiday Inn Rochester Airport
Foundation for Accounting Education
$149/$209
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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