



Journal of the CPA Practitioner

UPDATE...FROM THE NCCPAP PRESIDENT

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Why NCCPAP?

As our tag line says, members of NCCPAP, are practitioners helping practitioners. And this takes many forms. Have a tax, accounting, audit, or MAP question? We intend to make available to our members, a list of “experts” or “go to people” to help you when you have questions. And this service is offered free to members by members. Need discounts on office supplies, shipping, or other items? As a member, you are entitled to these and other discounts.

And through our close relationship with ADP, members can obtain ADP’s services for free for their firm’s payroll. Just call our National office to find out more.



Want to learn how to manage your practice? Just sign up and attend one of the many MAP courses offered by us. Want to learn how to grow your practice? Want to learn how to replace a client who has left your firm? Want to learn how to work your client base to obtain new clients? Want to learn how to obtain more than one new client per week throughout the year? Attend one of our courses.

Want to help influence proposed changes in Washington, DC or within your state? Join either our Tax or Issues (A&A) Committee. Decisions made at the Committee level form the basis of how we try and help our more than one million cumulative clients; how we explain to politicians and their staffers at the federal, state, or local levels why certain issues make sense or not. Why some rules need to change; why some should not change. And membership on either committee (or both) is encouraged.

Remember that NCCPAP membership is comprised of CPAs in public practice who want to provide the right information to their clients; who obtain the benefits of a large firm while still maintaining their own individual practice. We are truly practitioners helping practitioners; we are CPAs who want the right things for their clients.

In closing, I want to say what an honor it has been to lead you these last two years. Yet, this never would have happened without your encouragement. It never would have happened without being surrounded by others who provide the leadership to make things happen; to make our voice heard. To each of you, a big thank you!

Ed Caine, CPA
President
NCCPAP
ecaine@cainecpa.com

NATIONAL CONFERENCE OF CPA PRACTITIONERS, INC.**22 Jericho Turnpike, Suite 110, Mineola, NY 11501**Interactive site: **go.nccpap.org**E-mail **execdir@NCCPAP.ORG**Telephone **(516) 333-8282** - Toll-Free **(888) 488-5400**Fax **(516) 333-4099****OFFICERS**

President	Edward Caine, CPA
Executive VP	Sandra Johnson, CPA
Vice Presidents:	Kenneth Hauptman, CPA
	Donald Ingram, CPA
	Sanford Zinman, CPA
Secretary	Stephen Mankowski, CPA
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CHAPTER IN FORMATION

New Jersey (Central)	John Raspante, CPA
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Tax	Stephen Mankowski, CPA
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Membership	Sandra Johnson, CPA
Technology	Lana Kupferschmid, CPA
	Stephen Palmerio, CPA
By-Laws	Robert Markman, CPA
Forward Planning	Sandra Johnson, CPA
Peer Review	Frank Gallo, CPA
Education	Susan Gallo, CPA
MAP	Paula Sheppard, CPA
Public Relations	David Rothfeld, CPA
	Carol Markman, CPA
Ethics	Barry Zalk, CPA
Chap Reps	to be announced
Nominating	Susan Gallo, CPA
Scholarship	Jeffrey Winer, CPA
Audit	Carol Markman, CPA

EXECUTIVE DIRECTOR

Holly Coscetta

NEWS & VIEWS

Editor	Frimette Kass, CPA
Editorial Board	Carol Markman, CPA
	Stephen Mankowski, CPA
	Alexander K. Buccholz, CPA

WELCOME NEW MEMBERS!

June-August 2014

Affordable Accounting Solutions (subscriber)

Philadelphia, PA

ARCAP Partners (subscriber)

East Norwich, NY

Clyde P. Millman, CPA PC

Plainview, NY

Pareshah Financial Services (subscriber)

Rego Park, NY

Laura Sabbagh, CPA PC

Wantagh, NY

Kessler Liscia Gonzalez & Timms PLLC

Selden, NY

**Save the Date**

October 22, 2014

11:30 AM

NCCPAP Annual Meeting

The Inn at Fox Hollow

Woodbury NY

JOURNAL OF THE CPA PRACTITIONERS is published by the National Conference of CPA Practitioners (NCCPAP), a not-for-profit New York association. Editorial: Copy due the 10th of the month preceding publication. Advertising: Camera-ready art due the 12th of the month preceding publication. No articles herein may be reproduced without expressed permission of NCCPAP. NCCPAP is not responsible for any error or omissions in advertising matters. Depiction, likenesses, drawings or photographs of any person, whether living or dead, appearing in any advertising matters, is solely the responsibility of the advertisers. Submitted articles are expressed opinions of the authors and are not necessarily the opinions of the Officers or Board of Directors of NCCPAP.

For Editorial or Advertising information, contact: Holly Coscetta (516) 333-8282.
 Price per issue: \$2.50 ©2014 NCCPAP -ISSN 2152-4661

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The National Conference of CPA Practitioners is a non-profit organization. A copy of Form 990 may be found at www.guidestar.org

NCCPAP Past Presidents

2011-2012: Lana Kupferschmid	1991-1993: Peter Ciccone, CPA
2009-2011: Andrew L. Hult, CPA	1989-1991: Charles W. Newton, CPA
2007-2009: Karen Giunta, CPA	1988-1989: Jerome Fien, CPA
2005-2007: Dennis Scott, CPA	1987-1988: Edwin Kliegman, CPA
2003-2005: Carol C. Markman, CPA	1986-1987: John Sehart Jr., CPA (Deceased)
2001-2003: Alan Feldstein, CPA	1985-1986: Eli Mason, CPA (Deceased)
1999-2001: Robert Goldfarb, CPA	1984-1985: Irwin Pomerantz, CPA
1998-1999: Carole M. Roble, CPA	1983-1984: John MacMullen, CPA
1996-1998: Herbert Schoenfeld, CPA	1982-1983: Sam Fisher, CPA
1995-1996: Theodore Feher, CPA	1981-1982: Ralph Rehmet, CPA
1993-1995: Mitchell Klein, CPA	1980-1981: Clint Romig, CPA (Deceased)

MESSAGE FROM THE EDITOR

As I write this we are approaching a new academic year. I am getting ready to greet my new crop of (hopefully eager) accounting students. Accounting education has morphed tremendously since the founding of the nation. The earliest recorded formal accounting education was at the Philadelphia Academy, a secondary school established by Benjamin Franklin in 1751. (The Philadelphia Academy later morphed into the University of Pennsylvania which houses the Wharton School of Business.) Franklin believed in practical education and introduced other 'practical' curricula including agriculture and languages. Before Franklin's innovation of formal accounting education, accounting was generally taught via apprenticeship.

In today's world accounting education is a very different animal. More and more business schools seek accreditation from the Association to Advance Collegiate Schools of Business. To meet the AACSB requirements the schools must have a certain percentage of PhDs on their faculty. The AACSB does not require accounting faculty to be CPAs, CMAs or have any other professional designation. Does this remind you of your experience in college? If you're as long in the tooth as I am, probably not. My recollection is that my professors were practitioners who taught on the side or retired from practice and taught. They were fantastic! Learning from them was in a formal college setting but also had many of the benefits of apprenticeship.

In today's world of accounting education there is a significant shortage of accounting with doctoral degrees. American students don't seem to be willing or able (because of life issues) to achieve doctoral degrees. A dominant amount of new accounting professors, therefore, are young and from foreign countries. They come here to get their accounting doctorates and go on to high paying jobs as faculty. Last year's average starting salary for a newly minted accounting PhD was \$170,000. These bright young people, however, tend to have little or no practical experience in accounting, whether public or private. Is this good for the profession? I don't know but my feeling is not. The proof will be in the ability of our new hires.

Have you hired a young accounting grad lately? Do they know how to do accounting or is their knowledge mostly theoretical? How does it affect your firm's operation?

If you have an opinion let me know.

To all NCCPAP members who teach on the side: Have a great semester?

Frimette Kass-Shraibman, CPA
Editor
FKSCPA@yahoo.com

(The opinions are my own and not necessarily those of NCCPAP.)

SUCCESSOR LIABILITY FOR A BUYER IN M&A TRANSACTIONS: ONE LITTLE-KNOWN EXCEPTION TO THE GENERAL RULE

Most middle-market and smaller business acquisitions are structured as an asset purchase rather than a merger or a stock purchase. The primary reason for business acquisitions to be structured as asset purchase deals is to limit the post-acquisition (successor) liability of the buyer.

Most NY attorneys representing a buyer of a business know that an asset purchase deal triggers the buyer's obligation to file a Form AU-196.10 captioned "Notification of Sale, Transfer or Assignment in Bulk" pursuant to NYS Sales and Use Tax Law, Article 28, Section 1141(c). One purpose of the AU-196.10 is to notify the Bulk Sales Tax Unit of the NYS Department of Taxation and Finance (DTF) that the seller is selling substantially all its assets and gives the DTF the opportunity to determine whether there is a deficiency in sales taxes due by the seller. The AU-196.10 must be delivered to the DTF at least ten days before the buyer either takes possession of (or pays for) the assets. The AU-196.10 filing is critical because if the buyer does not comply with that requirement, the principal of the buyer may be held personally liable for the seller's sales tax deficiency.

In contrast to successor liability arising from the seller's sales tax deficiency, many attorneys are not aware that a buyer of a business succeeds to the seller's unemployment insurance experience ratings. Generally, every business that has non-owner employees is required to maintain unemployment insurance.

According to the NYS Department of Labor, even if a business acquisition is structured as a typical asset deal, the buyer also acquires all or a portion of the seller's unemployment insurance experience rating account balance and other aspects of the seller's unemployment experience. Under NYS Department of Labor regulations, a business acquisition occurs when another employer (seller) transfers or sells all or part of its business to the buyer and any one of the following occurs:

- The buyer acquires any of the seller's goodwill;
- The buyer continues or resumes the business of the seller, either in the same location or elsewhere;
- The buyer employs (post-acquisition) substantially the same employees who worked in the acquired (seller's) business.

Accountants and attorneys should be aware of the buyer's successor liability that arises from the seller's unemployment insurance experience because each of the foregoing three scenarios is present in practically every business acquisition structured as an asset deal.

Peter Papagianakis is the owner of Business Law Firm LLC and can be reached at pp@BLawFirm.com or (516) 280-8600

TELECOMMUTING—PART II— **FIVE STEPS TO EVALUATING A** **TELECOMMUTING REQUEST**

1. ENGAGE IN AN INTERACTIVE PROCESS WITH THE EMPLOYEE

—It is essential for the employer to interact with the employee. You must understand the employee's purported limitations in the workplace. Ask the employee to explain to you how the job could be done from home. Although you cannot inquire in great detail about the disability itself in the absence of a HIPAA waiver from the employee, you can ask the worker to explain the limitations caused by the disability, not the condition itself, and how this makes working at your premises difficult. At this point, you should require a medical certification to support the accommodation request. Even if the disability is patently obvious, it is important to request this of all employees seeking accommodations so as not to give rise to a disparate treatment suit against Title VII of the Civil Rights Act.

2. DETERMINE IF THE ESSENTIAL JOB DUTIES CAN BE PERFORMED FROM HOME

—I cannot say strongly enough that, if you do not have written job descriptions, which are regularly updated, it will be much more difficult for you to label any particular duty as essential. You are not required to delete any fundamentally essential duties to enable the worker to telecommute. You should consider several factors, including whether you can adequately supervise the employee, whether and how much face-to-face interaction is necessary, and whether the duties require equipment or tools that cannot be replicated at home.

3. DISCUSS ALTERNATIVE ACCOMMODATIONS—Can you identify other workplace accommodations that could be made to enable the worker to work from your premises? If so, you can and should provide such accommodations rather than authorizing a telecommuting situation. Critically, the ADA does not require you to provide the accommodation preferred by the

employee. However, the accommodation proposed must be effective to facilitate job performance.

4. WHAT IS THE IMPACT OF THE ACCOMMODATION ON THE WORKPLACE?

You are only required to provide an accommodation so long as it does not create an undue hardship to the company. Under EEOC regulations, this is a high threshold to meet: you have to show that it would be unduly extensive, substantial, disruptive or expensive or would fundamentally alter the nature of your business. If the employee can work from home without expensive equipment, then you will not meet the hardship standard.

5. RE-EVALUATE AT INTERVALS

—for two reasons. First, as an employer, you have an ongoing duty to accommodate; if the employee's needs or capabilities change, the initial accommodation may require modification. For example, you may need to remove non-essential job functions if doing so does not give rise to undue hardship. In the alternative, if the employee's condition improves, enabling the worker to return to the workplace, an on-premises accommodation might be required. Finally, if, even with accommodation, the worker cannot perform the essential job requirements from home, you may need to consider a leave of absence, whether short-term disability, long-term disability if applicable, or Family Medical Leave Act supported.

Judge Ruth Kraft chairs the Employment Law Group at Kirschenbaum & Kirschenbaum. Workplace accommodation issues account for a significant number of inquiries from the firm's clients. To schedule a consultation with Judge Kraft to discuss the applicability of the ADA to your organization, call (516) 747-6700 ext. 326 or email RKraft@Kirschenbaumesq.com.

CLIENT CONSENT REQUIRED TO ASSIST WITH HEALTH CARE PREMIUM TAX CREDIT APPLICATIONS

In the IRS FAQs on the Affordable Care Act, the IRS has made it clear that tax practitioners must obtain a signed Consent to Use as detailed in Internal Revenue Code § 7216 before using the client's tax return information to solicit and facilitate client enrollment in health insurance available through the new health insurance marketplaces. Consent to Use is not required if all the tax preparer does is provide clients general educational information about the Affordable Care Act and health insurance available through the new health insurance marketplaces. An example in the Q&As is that a tax return preparer may mail general educational information to all clients regarding health care enrollment options available through the new health insurance marketplaces without obtaining consent.

However, a preparer must obtain a taxpayer's prior consent to solicit and facilitate client enrollment in health insurance available through the new health insurance marketplaces. Client consent is required before the practitioner can offer to help a client apply for this credit or recommend a third party to do so, as this is a nontax return service. Specific language is required; it must be on 8½ inch by 11 inch or larger paper; all of the text on each sheet of paper must also be in at least 12-point type (no more than 12 characters per inch). For more information see the IRS's Section 7216 FAQs Related to the ACA at www.irs.gov/uac/IRC-%C2%A7-7216-Questions-and-Answers-Related-to-the-Affordable-Care-Act.

NCCPAP INVITED TO TESTIFY BY CONGRESS



(l-r) Donald Payne (D, NJ), Terry Durkin (President-Elect, NAEA), Steve Mankowski, Donald Williamson (Executive Director, Kogod Tax Center, American University), Tom Rice (R, SC) Chairman of the Small Business Committee, Sarah Windham (Sr. Manager, Dixon, Hughes Goodman, LP), Judy Cho (D, CA) Ranking Member of the Small Business Committee.



Steve Mankowski



Tom Rice and Steve Mankowski

Over the last few years, NCCPAP has been invited to testify at Congressional hearings on several occasions. Testifying is actually the by-product of the work performed by the NCCPAP Tax Committee. As Chair, I participate in the monthly Public Liaison meetings at IRS HQ, present at the quarterly Board meetings, prepare our IRS and Congressional Agendas with committee input and support, and schedule meetings with Legislative Directors in Congress. These meetings generally occur during the May Board meeting in Washington, DC. Often, however, we are not able to meet with everyone that we would like to, so meetings are scheduled to coincide with the monthly trips to DC.

Recently, while trying to schedule a meeting to review our agendas with the Ranking Member of the House Small Business, we were invited to testify on their behalf.

The honor of providing that testimony tends to fall upon the Tax Committee Chairperson. This was again the case in July when we were invited to testify for the House Small Business Subcommittee on Economic Growth, Tax and Capital Access. The topic was Cash Accounting: A Simpler Method for Small Firms?"

Testifying might seem like an easy task. Witnesses are required to submit written testimony within 48 hours of the hearing, then prepare oral testimony not to exceed 5 minutes. And to make this even more "enjoyable", the hearing was being held on July 10th so I had a fun 4th of July weekend writing my initial drafts of the testimony. I want to take a moment to thank Neil Fishman, Ed Caine, Carol Markman, Sandy Zinman, and Frank

Gallo for their assistance with reading and editing my testimony. The actual hearing, which was televised by CSPAN and web streamed, was attended by many of the members of the committee, their staff and those supporting the witnesses. The opinions of the witness, while similar, were actually divided down the middle. The division was not whether cash or accrual is better for small businesses; rather, two witnesses actually advocated the use of PURE CASH.

After providing our testimony, all members of the committee were able to ask us questions. One telling comment was offered by the Chairman, Tom Rice. He noted that many issues begin with those in Washington who pass legislation that hinders the growth of businesses rather than promoting an environment of growth. He cited the 51 employee threshold of the employer mandate of the Affordable Care Act (ACA) where many employers will limit part-time hours and not exceed 50 employees rather than fall under the ACA rules. Having businesses convert to accrual basis of accounting was yet another of those policies.

I had the opportunity to meet with my contact on the Small Business Committee last week. All of the staff was impressed with my testimony and will definitely keep me and NCCPAP in mind for future tax related testimony.

If you would like to learn more about the Tax Committee, please reach out to me for information

Stephen Mankowski, CPA
National Tax Committee Chair
smankowski@cainecca.com

2014 - 2015

OFFICER, DIRECTOR CANDIDATES

The Nominating Committee has proposed the following slate of Candidates for the 2014-2015 term.

THE OFFICER CANDIDATES:

President:	Sandra Johnson, CPA
Exec. Vice-President:	Stephen Mankowski, CPA
Vice-Presidents:	Neil Fishman, CPA
	Donald Ingram, CPA
	Sanford Zinman, CPA
Secretary:	Robert Brown, CPA
Treasurer:	Stuart Lang, CPA

DIRECTOR CANDIDATES:

Scott Cheslowitz, CPA (2014-2017)
 Frank Gallo, CPA (2014-2017)
 Barry Zalk, CPA (2014-2017)
 Kenneth Hauptman, CPA (2014-2016)
 Vito Mastro, CPA (2014-2015)

Independent nominations for an Officer or Elected Director may be made by petition filed with the Secretary forty days following the August meeting (September 29th). The petition shall be signed by at least twenty-five members of the Conference, and shall certify that the nominee has consented to serve, if elected. Profiles of independent nominations received prior to September 29th will appear in the next regular issue.

In addition, three of the five voting members of the Nominating Committee are to be elected from membership. Nomination for members of the Nominating Committee, other than members elected by the Board, shall be by petition filed with the Secretary prior to the vote at the Annual Meeting of Member Firms. Each petition shall be signed by at least ten members. The signing members shall certify that the nominee has consented to serve if elected.

2014-2015 Election Ballots will be mailed September 30th. If you are not attending the Annual Meeting on October, 22, 2014, at noon, be sure to mail your ballot so as to be received in the National Office prior to October 21st.

PROFILES OF THE

CANDIDATES

SANDRA G. JOHNSON, CPA, EA, CFE

Sandra Johnson is CEO of Sandra G. Johnson, CPA, P.C. located in Bellmore, New York. A sole practitioner with four employees, her business focuses on individuals, nonprofits and the unique needs of small businesses.

Sandy is currently Executive Vice President of NCCPAP, chair of the membership committee, and a frequent lecturer on MAP-related topics. She is a member of NYSSCPA and the Association of Certified Fraud Examiners. Sandy is past president of both the Long Island Center for Business and Professional Women and the Chamber of Commerce of the Bellmores. Sandy recently retired from teaching, having taught Accounting and Business Management at SUNY Old Westbury and Five Towns College. She lectures on various business topics at Hofstra University's Continuing Education College, the Small Business Development Center at SUNY Farmingdale and at various local clubs and organizations.

Sandy is a Certified Public Accountant, licensed in the state of New York, an Enrolled Agent with the Internal Revenue Service and a Certified Fraud Examiner. She is the 2010 recipient of the Town of Hempstead Pathfinder Award in Business; 2010 recipient of the NYS Assembly Women of Distinction Award; 2010, 2011 and 2012 winner of the LI Press Best of LI contest in the Accounting Firms and CPA categories; and the 2007 recipient of the Nassau Council of Chambers of Commerce Small Businessperson of the Year award.

STEPHEN F. MANKOWSKI, CPA

Stephen Mankowski is the Chair of the Tax Policy Committee and National Secretary of the National Conference of CPA Practitioners (NCCPAP). In this role, Steve represents NCCPAP members at the National Public Liaison meetings held monthly by the IRS. In addition, Steve participates on the 2014 IRS Mid-Atlantic Working Together committee.

Steve, a graduate of La Salle University with a Bachelor of Science degree in Accounting and Finance, has over 27 years' experience in accounting and management. Steve is a partner with the firm EP Caine & Associates CPA, LLC. The firm has offices in Pennsylvania, New Jersey & New York. His client base centers on the mid-Atlantic region but reaches throughout the continental United States.

The firm serves individuals and small businesses through its' accounting, taxation, business consulting and litigation support services. It prides itself in offering clients expert advice interpreting it in an easily understood manner. The firm has a market niche of small and start-up enterprises.

Steve has served on numerous Boards including Portside Arts Center, a small community based non-profit enterprise and has previously served as President, Vice President and Educational Coordinator of the Ivyland Chapter of Business Network International (BNI).

In 2001, Steve served on a Pennsylvania committee to promote recycling businesses within the Commonwealth.

NEIL H. FISHMAN, CPA, CFE, FCPA, CAMS

Neil H. Fishman, CPA, CFE, FCPA, CAMS has been in practice since 1989. He is a graduate of the SUNY College at Oneonta, and is licensed as a CPA in New York and Florida. He is a member of the New York State Society of CPAs, the Florida Institute of CPAs, the Association of Certified Fraud Examiners, the Association of

Certified Anti-Money Laundering Specialists, the Forensic CPA Society, and NCCPAP, where he has served as Chairman of the National Tax Policy Committee (2008-2011), National Executive Vice President (2011-2012), National Vice President (2009-2011), National Secretary (2008-09), National Board of Directors (2005-2008; 2013-2014), and the founding President of the South Florida Chapter (2008-2012).

Neil has authored several articles that have appeared in The CPA Journal, published by the New York State Society of CPAs, California CPA, published by the California Society of CPAs, and on the website of the Florida Institute of CPAs. In March 2005, Neil was a panelist on *taxtalktoday.tv*, a webcast run by the IRS, where the topic was "How the Bank Secrecy Act Affects You and Your Clients." Neil has assisted in the drafting of tax legislation introduced in the United States House of Representatives; discussed tax issues with key support personnel of the United States Senate Committee on Health Education, Labor & Pensions; and provided assistance on the drafting of testimony presented to the United States Senate Committee on Finance and House of Representatives Judiciary and Small Business Committees.

DONALD INGRAM, CPA

Donald Ingram is a Certified Information Systems Auditor (CISA) with a practice in Plainview, New York. He is a graduate of Adelphi University with a BBA in Accounting as well as an MBA.

Donald is a Past President of the Nassau/Suffolk Chapter of NCCPAP as well as co-chair of the LITPS Accounting Technology Forum. He is also on the Long Island IRS Service Liaison Committee and a member of the NYSSCPA, the Institute of Management Accountants and the National Association of Tax Professionals.

Donald resides in Plainview, New York with his wife Myrna. He was named "Businessperson of the Year" in 2005 by the Nassau County Chambers. He is active in the Plainview Jewish Center, where he is a past President. He is a Vietnam Vet who served in the U.S. Navy.

SANFORD E. ZINMAN, CPA, MBA

Sanford Zinman is president of Sanford E. Zinman, CPA PC in White Plains, New York. He graduated from Iona College with a Master of Business Administration in Public Accounting and started his own practice in 1983. He has been in public accounting for more than thirty years, with expertise in compilations and tax. He is licensed in New York and Connecticut and has a diversified clientele including architectural firms, attorneys, authors, child care providers, interior designers, construction and real estate developers, insurance professionals, medical/ dental professionals, restaurants, and retail operations. He provides business and individual tax services and compilation services and well as individual and corporate tax planning and payroll and payroll tax services.

Sanford is a member of the AICPA and NCCPAP, where he serves as president of the Westchester/ Rockland Chapter. He has testified before the Senate Finance Committee and the House

Committee on the Judiciary on various tax and identity theft issues.

ROBERT N. BROWN, CPA, CGMA

Robert Brown has spent more than 30 years in public practice serving small to middle market companies and individuals in the areas of tax preparation, tax planning, estate planning, multi-state taxation, tax representation, financial statement preparation and management advisory services.

Mr. Brown currently serves as the Executive Vice President and Co-Chair for the MAP committee for the Nassau Suffolk Chapter of the National Conference of CPA Practitioners. He is a member of the American Institute of Certified Public Accounts, the AICPA Private Companies Practice Section, the New York State Society of Certified Public Accountants, and the National Conference of CPA Practitioners.

STUART G. LANG, CPA, CGMA

Stuart G. Lang is the principal shareholder in the accounting firm of Stuart G. Lang, C.P.A., P.C., in Baldwin, New York. He specializes in representing small to medium-sized businesses performing compilations, reviews and audits, and has performed or participated in many peer reviews under the AIPCA Peer Review and National Peer Review Programs.

He is an active member of the AICPA, and NYSSCPA and its Nassau Chapter, and NCCPAP. Stuart has served on the NYSSCPA's Nassau Chapter Accounting Procedures Committee and Professional Ethics Committee, and currently serves on the Public School Accounting Committee. He has frequently acted as a discussion leader and lecturer at the Nassau Chapter Compilation and Review Conference and the Nassau/Suffolk Chapter of NCCPAP Accounting Seminars. He has also served as member of the New York State Society's AICPA Peer Review Committee (the committee whose charge is to accept peer reviews performed in NYS). He is a Past President of the Nassau/Suffolk Chapter of NCCPAP and the current National Treasurer.

Stuart received his Bachelors of Arts in Accounting from Queens College, CUNY in 1982, and his A.S. in Business Administration from Queensborough Community College, CUNY in 1980. He was elected Phi Theta Kappa at Queensborough Community College in 1980. He is a Fellow of the American Board of Forensic Accounting.

SCOTT CHESLOWITZ, CPA

Scott, a partner of Rothenberg & Peters, PLLC, is a general practitioner for over 25 years working with closely held entities, estates and high net worth individuals. His services include accounting, tax and business planning for Corporations, Limited Liability Companies, Partnerships, and Individuals. Scott also provides for estate planning and estate tax work along with estate and trust fiduciary income tax preparation.

Scott graduated Queens College, CUNY with a degree in accounting and is a Certified Public Accountant licensed in the State of New York. He is a member of NCCPAP, the American Institute of

Certified Public Accountants, and the New York State Society of Certified Public Accountants. Scott has written tax questions for the AICPA Uniform CPA Exam and has served as the Chair of the NYSSCPA Tax Division Oversight Committee (TDOC). He is also former Chair of The NYSSCPA's Closely Held & S Corporations tax committee and a former co-chair of the "Rapid Response" subcommittee for the TDOC in which Comment letters and tax articles have been developed for the good of the membership and for the tax profession.

Scott has been an Adjunct professor at Queens College and has been published several times in the CPA Journal and in the Trusted Professional. In addition, he co-authored a chapter in "The Handbook of Budgeting" through Wiley Publishing, appeared FoxBusinessNews, Bloomberg on demand and Business Week TV, and has been quoted several times in the media including the Associated Press, Newsday, The Daily News; Inc; Forbes online.

VITO M. MASTRO, CPA

Vito M. Mastro received his MBA in Accounting from St. John's University and has his own CPA practice Mastro Associates, LLC.

Vito is active in his hometown of Princeton Junction, New Jersey especially in the parish of Saint David the King where he is one of the original founders and the first trustee appointed by the Bishop of Trenton. He also was the founder of the Knights of Columbus Chapter 14716 and served as Grand Knight for two and a half years. He also serves as Treasurer of the United Way of Greater Mercer and Princeton counties, as well as on the Board of Directors and RIC Committee (fund allocations) and Chairman of the Finance Committee. He is also a member of the NYS CPA Society and also the NJ Society of CPAs-Mercer Chapter.

Vito has served as NJ Chapter President and is currently serving as Treasurer in the New Jersey Chapter. He is also a prior member of the Board of Directors of NCCPAP National.

Vito, his wife Elaine, six grown children and fourteen grandchildren all live in the Mercer County Area.

KENNETH HAUPTMAN, CPA

Kenneth Hauptman obtained his Bachelor of Science in Economics, with a specialization in Accounting, in 1972 from Brooklyn College, and a Master of Science in Taxation from Long Island University-C.W. Post Center in 1979.

Ken has been practicing public accounting for over 45 years, initially with Lutz and Carr, CPAs and later as a partner with the firms of Weinick, Sanders & Co., CPAs and Hauptman, Elsner & Co., CPAs, prior to establishing his own CPA practice. After 25 years in his own practice, he merged with the firm Wild, Maney & Resnick, LLP on January 1, 2013.

Ken is well versed as a general practitioner; he has been involved in performing a variety of services for a diverse base of clientele: Audit, Review or Compilation of Financial Statements; Tax consultation, representation or preparation;

He is a member in good standing of the American Institute of CPAs and the New York State Society of CPAs (NYSSCPA), and NCCPAP.

He is currently Vice President of NCCPAP National and Co-chairperson of the NYSSCPA Nassau Chapter Small Firm MAP Committee and a member of the NCCPAP National MAP Committee.

For NCCPAP, he has served as Treasurer and a member of the National Board of Directors 2009-2011; a member of the Board of Directors of the Nassau/Suffolk Chapter in 2005-2008; Co-chairperson of the Nassau/Suffolk Chapter of MAP Committee in 2005-2007; and Secretary of the Nassau/ Suffolk Chapter in 2003-2005.

Ken resides in Old Bethpage, NY with his wife Robyn.

FRANK A. GALLO, CPA, MBA

Frank A. Gallo, CPA, MBA is the managing partner of Gallo & Company, CPA's LLP located in Jericho, NY. He is a graduate of Pace University with a Master of Business Administration in Public Accounting and was a manager at Kenneth Leventhal and Company before starting his own practice in 1986.

Frank has been in public accounting for more than thirty years and has expertise in audits, reviews, compilations, broker dealers, nonprofits, manufacturing, real estate, pension plans, construction and peer reviews.

He is a member of the New York State Society of CPA's and National Conference of CPA Practitioners. He is also a member of the American Institute of Certified Public Accountants, Institute of Management Accountants and the National Society of Accountants. He serves on both the New York State Society of CPA's and National Conference of CPA Practitioners peer review committees.

BARRY D. ZALK, CPA

Barry is a graduate of Northeastern University in Boston where he received his BS in BA in Accounting in 1973. He has practiced public accounting for over 41 years.

Barry started his accounting career while in college where he interned with various Boston accounting firms and Boston Gas Company. He also interned with J.K. Lasser and Company in New York City where he also worked after graduating. In 1976 he joined an accounting practice with his father until his father's retirement in 2012. He is currently a sole practitioner in Huntington, NY.

Barry is a Past-President of the Nassau/Suffolk Chapter of NCCPAP and is the Chairperson of their Public Relations Committee. He is also the current chairperson of National's Ethics Committee and a member of the National Board of Directors. He is a member of the NYSSCPA and the FICPA. He is certified in New York and Florida.

Barry resides in Greenlawn, New York with his wife Lyn and has three daughters and a granddaughter.

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In My Opinion...

FAILURE TO COMMUNICATE

By Edwin J. Kliegman, CPA

NCCPAP is a great organization for small and medium size CPA practice units. It has been assisting, protecting and providing information to fellow CPAs for more than 35 years.

But, can it live up to a potential version of itself five or ten years from now? Can we envision what kind of organization it would like to be in a decade and then pursue its vision?

NCCPAP must engage in this kind of long range planning. It must engage in this kind of long range planning and start thinking about the kind of organization that will continue to build and provide the vital services that this segment of the profession requires. It must become the force that represents the small and medium size CPA practice units.

One of the first steps in creating and building the organization is letting people know what it will be like. It is a process that must

begin ASAP and continue and be repeated and continually call for a new vision and a new struggle. NCCPAP must always strive for something better and never rest on its laurels.

The leadership must be sure that it is communicating what it means to accomplish and that people understand it the same way. The most brilliant long term vision won't succeed if the membership, the profession and the public don't know about it....or worse yet....if they don't understand it because it wasn't explained properly.

It is not enough to just create a vision, but to communicate it clearly so that others can see the same thing you do.

Ben Franklin said, "...if you fail to plan, you're planning to fail". He might have added that failing to communicate can be just as bad.

Edwin J. Kliegman, CPA, is the founding partner of Marcum & Kliegman, CPAs (now Marcum LLP), founder of the Nassau/Suffolk Chapter of the National Conference of CPA Practitioners (NCCPAP) and Past President of NCCPAP. He is a consultant for small practice units that seek guidance.

This article was inspired by an editorial written by Dan Hood, editor of Accounting Today.

RECRUITMENT AND RETENTION: COULD EMOTIONAL INTELLIGENCE BE THE ANSWER

Since the 1970s, organizations in the United States have struggled to recruit and retain employees within the accounting profession. The recruiting problem, specifically the challenge to fill the demand for accountants and auditors, continues to worsen (AICPA's *Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits*, <http://www.aicpa.org/InterestAreas/AccountingEducation/NewsAndPublications/DownloadableDocuments/2013-TrendsReport.PDF>). Projections indicate that the demand for accountants is likely to increase by 16% between 2010 and 2020 (AICPA, 2013). Business leaders expect the demand for accountants and auditors to increase due to the International Financial Reporting Standards and corporate compliance initiatives, such as the Public Company Accounting Reform and Investor Protection Act of 2002 (Sarbanes-Oxley Act).

The number of new accountants needed may be higher than projected unless current rates of accountant turnover are curtailed. The turnover at large firms was 17% in 2004 and 9% at smaller firms (see Mark Steadman, "What Small Firms are Doing to Recruit and Retain Staff," *The CPA Journal*, July 2008, pp. 61-63), and higher in public accounting than in other fields. Turnover at public accounting firms has created a staffing crisis (Steadman). The staffing crisis is a significant challenge encountered within the accounting profession between 2002 and 2012 and will continue to be an area of concern.

The number one problem for CPA firms surveyed between 2001 and 2006 was staffing concerns, including recruitment and retention, according to the AICPA report, *Management of an Accounting Practice*. The staffing crisis will undermine the viability of accounting firms and will pose challenges to the ingenuity, resolve, and creativity of the profession (AICPA, 2004, *Accounting Trends and Techniques*). Addressing the recruitment and retention problems will occur through increased hiring of accounting professionals and organizations satisfying the needs of the employees to retain the most qualified professionals. To address the challenge and ensure the success of accounting firms, leaders need to identify additional methods for retaining accountants to offset some of the demand for new employees in the profession.

Background

The discussion how nontechnical and emotional skills relate to careers of accounting professionals is relatively new. Few research studies have been conducted regarding accountants' emotional skills, also sometimes referred to as *interpersonal skills* (Michael Akers & Grover Porter, "Your EQ skills: Got what it takes?", March 2003, *Journal of Accountancy*), soft skills (AICPA, "Top Five Values, Services, Competencies and Issues for the Future", 2008, *CPA Vision Project 2011*), or *generic skills*. In one study, 20% of the success in a career was attributable to intelligence: the capacity to reason, understand, and learn. The remaining 80% of career success was attributable to the capacity to be aware of oneself and interact with others (David Kirch, Mary Tucker, & Kristine Kirch, "The benefits of emotional intelligence in accounting firms", August 2001, *The CPA Journal*, p. 60).

Job satisfaction is related to numerous important work outcomes, including productivity and retention. Because job satisfaction contributes to job retention, understanding factors contributing to accountants' job satisfaction may help address the retention problems.

As part of the solution to meet the increasing demand for accountants, accounting firm leaders and internal audit departments need to hire quality workers who show the best potential to fit the job positions to maximize retaining accounting professionals (Robert Bloom & Mark Myring, "Charting the Future of the Accounting Profession", June 2008, *The CPA Journal*, pp. 65-67; Heidi Brundage & Mark Koziel, "Retaining Top Talent Still a Requirement for Firms", May 2010; *Journal of Accountancy*, pp. 38-44). Workers who match the position will have increased likelihood to be committed to the organization, thereby having increased job satisfaction and job performance, decreased employee turnover, and decreased intention to leave.

Job fit for accounting professionals may require more than technical accounting skills. Studies conducted by accounting associations indicate that besides technical skills, other abilities such as communication, problem-solving, critical thinking, and negotiation are equally important in job success (AICPA, 2008). Accounting professionals looking to grow and progress in their careers will continue to need strong technical skills, but increasingly need soft skills, which include interpersonal skills, verbal, written, and presentation capabilities.

Interpersonal skills are important for accounting professionals because an accountant needs to interact with people while performing his or her job (Akers & Porter, 2003). Accountants must be able to interact with potential clients to sell their services, and to communicate with both government and nongovernment officials with whom the accountants have to contend as part of the job. Accordingly, accountants who do not have strong interpersonal skills may feel uncomfortable with the daily duties, and thus, experience low satisfaction with the job.

The ability to manage stress may be another soft skill contributing to job satisfaction among public accountants. The accounting profession is a stressful profession (Karen Collins & Larry Killough, "An empirical examination of stress in public accounting", August 1992, *Accounting, Organizations & Society*, pp. 535-547; John Sweeney & Scott Summers, "The effect of the busy season workload on public accountants' job burnout", January 2002, *Behavioral Research in Accounting*, pp. 223-245). Accountants need to be able manage complex and stressful situations through effective planning, organizing, leading, and controlling. As part of managing complex situations, accounting professionals have to respond effectively to various stakeholders, both inside and outside the institutions.

The demanding work environment, including long hours of work, has caused accountants excessive stress, especially during completion of month-end reports and during tax return season. The effects of excessive stress include reduced job satisfaction, job tension, increased desire to leave the organization, and turnover (Collins & Killough, 1992).

Reuben Bar-On defined emotional intelligence (EI) as a range of competencies, noncognitive capabilities, and skills that influence an individual's ability to be successful in coping with environmental pressures and demands. Emotional intelligence is a set of skills important to personal development that employers value. Stress management, an EI skill, plays a large role in organizational life that may allow accountants to improve performance in areas including decision-making, leadership, and client relations as well as the integrity to gather and maintain accurate financial records. Stress management and interpersonal skills are vital for successful careers as professional accountants, as recognized by the Institute of Management Accountants and the AICPA (Akers & Porter, 2003; Connie Esmond-Kiger, Mary Tucker, & Christine Yost, "Emotional Intelligence: From the Classroom to the Workplace", Winter 2007, *Management Accounting Quarterly*, pp. 35-42). Accountants who lack emotional skills, such as interpersonal and stress management skills, may be at an increased risk for low job satisfaction. Emotional intelligence encompasses both interpersonal skills and stress management.

Research

The author's research is motivated by the staffing crisis as a significant challenge within the accounting profession and how it will undermine the viability of accounting firms and will pose challenges to the ingenuity, resolve, and creativity of the profession.

Research indicates job satisfaction is related to retention, and a link exists between EI and job satisfaction in jobs that require higher levels of emotional functioning. The accountant's role requires higher levels of emotional functioning (Akers & Porter, 2003), yet evidence that EI relates to job satisfaction among accounting professionals did not exist. One potential solution to the inability of accounting firms to retain adequate numbers of accountants is to consider building EI measures into the accountant selection process.

The research question addressed in the study: To what extent, if any, does a relationship exist between total EI and job satisfaction among accounting professionals?"

Methodology

To address the research question, the author used two survey instruments and demographic questions. All data collection occurred through quantitative responses to self-report instruments. Emotional intelligence was measured using the Bar-On short version of the Emotional Quotient Inventory (EQ-i:S). The EQ-i:S is a 51-item self-assessment instrument designed to measure an individual's EI behavior (Examples of the EQ-i:S survey questions are available on request). The EQ-i:S has a Likert-style response scale ranging from one, *very seldom or not true of me*, to five, *very often true of me or true of me*. Calculating the total

EI score consists of summing scores on the five composite scales: Intrapersonal, Interpersonal, Adaptability, Stress Management, and General Mood. Each scale consists of sub-scales, for a total of 15 sub-scales. A high total score or a high score on any individual scale indicates a high level of emotional and social competency.

The sampling frame, provided by the New York State Society of CPAs (NYSSCPA), consisted of CPAs and accounting professionals employed in CPA firms. The NYSSCPA selected only accounting professionals who were employed in CPA firms from among their 28,000 members. The NYSSCPA emailed the subset of 5,129 CPAs and accounting professionals employed in CPA firms. The survey was performed and the sample information was received in the spring 2013.

To stimulate a high response rate, the introductory email included a letter explaining the importance of the research and the steps for participation. A follow up email would have also been sent, if necessary, to increase the response rate. The NYSSCPA would have sent a second email, if necessary, one week after the initial invitation as a reminder requesting participation if the initial email did not yield the minimum required number of participants. The matching and exclusion of missing values resulted in a sample size of 78 from the 85 total participants. Data collection closed after the number of participants reached the desired sample size, which limited the response rate to 1.7% of the 5,129 accounting professionals surveyed.

Study participants were asked seven demographic questions about their age, gender, current employment as a public accountant, ethnicity, time employed in current position, time employed in public accounting, and type of work performed. Exhibit 1 includes a summary of the sample demographics. The results indicate that more than half of the participants were less than 40 years old. Slightly less than one-third of the participants (30.8%) were between 20 and 29 years. A little over one-quarter were between 30 and 39 years (28.2%). Only 6.4% participants were over 60 years. With more than half of the participants (59.0%) being 39 years old or less, indicates the sample was dominated by younger participants. The NYSSCPA could not provide demographic information to determine if each age category of the participants was accurately represented in the current study. The *Trends Report* (AICPA, 2011) provided access to demographics of the population for gender, race, and type of work performed.

In the current study, the number of male participants (52.6%) was slightly higher than the number of female participants (47.4%). In the *Trends Report* (AICPA, 2011), the demographics for gender were 55% male and 45% female which was consistent with the results of the current study.

The overwhelming majority of participants (89.7%) in the current study were White or Caucasian. The percentage of White or Caucasian participants in the current study was higher than the percentage (79%) reported in *Trends Report* (AICPA, 2011) for the similar category. The percentages of Blacks or African Americans and Hispanics or Latinos in the study were consistent with the *Trends Report*. The proportion of minorities (10.3%) in the study

sample were underrepresented in the current study. The Asian (1.3%) category was the most underrepresented category compared to the *Trends Reports* (11%). There is no reason to believe minorities would be unrepresented in NYSSCPA. The unrepresentation of minorities in the sample appears to be an artifact of purposive sampling among NYSSCPA.

More than half of the participants (52.6%) were employed in their current position for 2-5 years, 16.7% were employed in current position for 6-10 years, and 16.7% were employed in their position for over 15 years. A little less than one-third of participants (32.1%) were employed in public accounting for over 15 years, 28.2% for 2-5 years, 24.4% for 6-10 years, and 14.1% for 11-15 years.

In the current study, most participants (47.4%) performed audit work. The next most frequent work type was taxation, reported by 32.1% participants. The demographics reported by assignment in the *Trend Report* (AICPA, 2011) for auditing and assurance services (52%) and taxation (25%) was somewhat consistent with the results of the current study. (The detailed demographics information is available on request.)

Results

Accounting professionals working in public accounting took the EQ-i:S to measure their EI. Scores were calculated for interpersonal EI factor, stress management EI factor, and total EI. Multi-Health Systems, Inc. calculated the total EI score by converting raw scores to standard scores. Individuals whose standard scores are between 85 and 115 is within average range and represents effective EI skills (Bar-On, 2002). Participants whose standard scores are above 115 have enhanced emotional and social intelligent behaviors. The scoring for the EQ-i:S is similar to IQ tests. Results revealed public accounting professionals scored somewhat below average ($M = 100$) on interpersonal EI factor ($M = 96.96$). The participants scored somewhat above the average ($M = 100$) on stress management EI factor ($M = 104.69$). The participants' mean total EI score ($M = 96.56$) was almost the same as the average.

The results indicated a positive and significant effect of total EI on job satisfaction indicating that increased total EI brings more job satisfaction. The results indicated that as total EI increases, job satisfaction increases as well. As expected, emotional intelligence was found to be positively associated with and a significant predictor of job satisfaction. Furthermore, participants' scores indicate that EI employees experience greater job satisfaction.

The results of the study indicated a positive and significant relationship between interpersonal EI factor and job satisfaction. The results indicated that as interpersonal EI factor increases, job satisfaction increases as well. While the current study could not establish causality, a positive and significant relationship exists between the interpersonal EI factor and job satisfaction. The correlations imply that individuals who managed and understood emotions well were more satisfied with the job than individuals who did not manage and understand his or her emotions.

The results of the study seeking to determine whether a relationship

exists between stress management EI factor and job satisfaction among accounting professionals yielded mixed results. The lack of relationship between stress management EI and job satisfaction in the current study is surprising due to a majority of the participants indicating they worked in taxation or auditing which both have pressures and stress to complete assignments by deadlines.

In the current study, a positive and significant relationship between total EI and job satisfaction and between the interpersonal EI factor and job satisfaction among public accountants working in certified public accounting firms limited to New York who are members of the NYSSCPA, a homogeneous sample. The relationship between EI and job satisfaction might only be significant to the homogeneous sample of public accountants working in CPA firms limited to New York who are members of the NYSSCPA.

Perhaps the relationship between EI and job satisfaction may, at least to some extent, depend on the participants' occupation. The current study is the first study that measured the relationship between EI and job satisfaction among accounting professionals working in public accounting. The assumption in the current study was job satisfaction is a function of an individual's disposition (such as EI); thus, in the current study, accounting professionals have the predisposition to having more satisfaction with their job regardless of job environment or working conditions.

Practical Applications

Job satisfaction is a contributing factor in job retention. An accountant's intent to remain in the industry was directly related to job satisfaction; thus, factors that contribute to job satisfaction have implications for job retention (M. Afzalur Rahim & Mainuddin Afza, "Leader power, commitment, satisfaction, compliance and propensity to leave a job among U.S. accountants", 2001, *Journal of Social Psychology*, pp. 611-625). Firm leaders' need to identify factors associated with job satisfaction in order to understand how to retain employees.

Employees who have emotional skills are more apt to experience job satisfaction than those without the emotional skills. Since a relationship exists between EI and job satisfaction, employers could use EI measures in pre-employment screenings to identify individuals with high EI, who consequently, may have increased likelihood to be satisfied with the job and remain in the accounting profession. Job satisfaction is one contributing factor in job retention. Understanding factors contributing to job satisfaction may facilitate understanding of how to retain individuals.

Job satisfaction is important to retain and meet the demand for accountants. It is important for leaders of accounting firms to continue to identify factors that contribute to job satisfaction and retention of their employees. Leaders at accounting firms need to know how to identify candidates who are likely to be satisfied with their positions and how to increase the satisfaction of currently employed accountants to increase the retention of accountants. The current study has practical applications for the steps leaders at public accounting firms might take to meet the demand for accounting professionals. Given the positive and significant relationship between total EI and job satisfaction, leaders of

accounting firms should consider building EI measures into the accountant selection process in order to better retain public accountants. The results of the current study could be significant by providing the necessary foundation to assist accounting leaders and human resource personnel to address the problem of accounting firms retaining adequate number of accounting professionals to meet current and future demand.

Abstract

Recruitment and retention within the public accounting profession has long been a problem because of high rates of employee turnover. The study addressed the inability of accounting firms to retain adequate numbers of accountants by examining the relationship between emotional intelligence (EI) on job satisfaction among public accounting professionals. The study investigated the relationship between EI and job satisfaction among public accountants working certified public accounting firms in New York who are members of the New York State Society of Certified Public Accountants (NYSSCPA). The results indicate that leaders of public accounting firms might consider using emotional intelligence and the EQ-i:S as a tool in the recruitment and selection process of accounting professionals to address the problem of accounting firms retaining adequate number of accounting professionals to meet current and future demand.

Article was submitted by Dr. David Glodstein CPA, CFE Asst. Professor at SUNY Old Westbury/Forensic Accounting Consultant. He can be reached at (glodsteind@oldwestbury.edu)

NCCPAP begins to award grants to CPA candidates.....

The National Conference of CPA Practitioners (NCCPAP) has begun awarding a limited number of competitive merit-based \$500 awards to outstanding college students who have completed their undergraduate program in a U.S. accredited college and have sat for the certified public accountant exam.

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The grant applications are accepted on a rolling basis throughout the year. Annually all grant applications received by December 15th are awarded the following January. Applications received after December 15th will be reviewed and may be awarded in the following year.

Any questions please email execdir@nccpap.org.



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## FROM THE FLORIDA CHAPTER PRESIDENT...

Like many of my colleagues, I waited until June to complete my CPE. I know this because the seminar rooms were very crowded! Some of the information we received is what follows.

Florida SB 328 has been issued and indicates that as of 1/1/15, in order to get your CPA license renewed, if you do ANY audits, even one, you must have a peer review. This does not apply to those doing only Compilation and Review or other accounting functions like tax return preparation. The US Department of Labor speaker, at the Accounting Conference in Orlando early June, indicated that they are reviewing audits of employee benefit programs, especially pension reporting, to ascertain the certifying auditors. DOL is looking at whether they have had the mandatory peer reviews. They suggested that some of the firms have not followed the regulations and have falsified their reporting.

IRS is reworking the Circular 230. At this date 6/18/14, they have not gone public with this information. They are making it more comprehensive and stricter. One of their changes is that the disclaimers previously required on all written materials (letters, email, etc.) are no longer allowed. They believe that accountants are using it to their advantage in lawsuits. Thus, the new regulations will include verbiage to eliminate that issue.

This fall, our chapter will host an IRS Liaison Update. We have not been able to have this IRS Representative at one of our meetings for quite a few years, so we are very excited and advise you to register early as this has always been a heavily attended meeting! We have a full line-up of great speakers for the balance of the year that include topics on Retirement Planning. For more information, contact me or Neil Fishman. Join us.

Lynne Marcus, CPA  
President  
Florida Chapter  
lynnemarcus@financialplan-it.com

## FLORIDA MEETINGS

Contact: Lynne Marcus, CPA (561) 806-6299

Meeting Location:

1880 North Congress Avenue, # 316, Boynton Beach, FL

Time: 8:45 AM – 10:45 AM, Registration at 8:30 AM

Thursday, September 4,

5:30 PM-8:30 PM- *Special Time & Location*

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**IRS LIAISON MEETING & MANAGEMENT OF AN ACCOUNTING PRACTICE SYMPOSIUM**- 8 CPE credits (2 Tax/6 MAP) -Continental Breakfast, AM & PM Breaks and Lunch

Thursday, November 6 - **to be announced**- 2 CPE credits

## FROM THE WESTCHESTER/ROCKLAND CHAPTER PRESIDENT...

I received a call from a Westchester/Rockland member the other day. He knew someone who had received a call from “an IRS agent”. That person called his CPA who then called me. The question was whether this was genuine or a scam. I only knew that it was a scam because I recently saw a warning about this on our go.nccpap.org page. This is my brief topic for today.

Our national NCCPAP website, go.nccpap.org, is a very good tool to see what is going on around the NCCPAP world and/or to find postings from other CPAs. But it can be as silent as a tree falling in the woods if we don’t all use it. We are supposed to be “members helping members” but that will never happen if all we do is attend a few meetings. We all need each other. This is what should make NCCPAP different from the other professional organizations.

Please take the time to be more active in your organization. Come to meetings, log on to the website, post blogs or discussions, and ask questions. All this will help each other and improve the organization. See you all soon.

Sandy Zinman, CPA  
President  
Westchester/Rockland Chapter  
sandy@zinmantax.com

## WESTCHESTER/ROCKLAND MEETINGS

Tuesday, September 9, 8 AM – 10 AM

**NYS ESTATE TAX** - 2 CPE credits (TAX)

@Tarrytown DoubleTree Hotel, 455 South Broadway, Tarrytown, NY

Friday, September 19, 1 PM – 5 PM

**REVIEW & AUDITING UPDATE** - 4 CPE credits (A&A)

@Tarrytown DoubleTree Hotel, 455 South Broadway, Tarrytown, NY

Friday, October 24, 9 AM – 5 PM

**ETHICS & COMPILATION and ACCOUNTING UPDATE** -7 CPE credits (3 Ethics/4 A&A)

@OFFICES OF WILSON, ELSER, 1133 Westchester Avenue, White Plains, NY

Tuesday, November 11, 9 AM – 5 PM

**ENTITY TAXATION & SUCCESSION PLANNING** 8 CPE credits (TAX)

@Tarrytown DoubleTree Hotel, 455 South Broadway, Tarrytown, NY



# TAX TIPS FROM THE WESTCHESTER/ROCKLAND CHAPTER

Annette Nellen, Esq., CPA

## Written guidance provisions amended by T.D. 9668

T.D. 9668 makes the following changes relevant to written advice:

*Covered opinion rule removed:* Section 10.35, *Requirements for covered opinions*, is removed. Thus, the lengthy, complex rules on covered opinions are gone. The IRS found these rules burdensome “without necessarily increasing the quality of the tax advice that the client received” (79 Fed. Reg. 33686 (6/12/14)).

Also, practitioners overused the disclaimer, including it even when the associated information did not include tax advice. The IRS posited that having a single section on written advice (Section 10.37) was preferable. New Section 10.35, *Competence*, was added to require that practitioners have the “appropriate level of knowledge, skill, thoroughness, and preparation” to handle an assignment. This new section is effective June 12, 2014.

One section on written advice: The title of Section 10.37 is changed to *Requirements for written advice*, and the content modified accordingly. Written advice (via paper or electronic means) does not include a submission to the government covering general policy matters (such as comments on proposed regulations) or continuing education materials (unless materials market or promote transactions).

Section 10.37(a)(2) requires practitioners to do the following:

- (i) Base the written advice on reasonable factual and legal assumptions (including assumptions as to future events);
- (ii) Reasonably consider all relevant facts and circumstances that the practitioner knows or reasonably should know;
- (iii) Use reasonable efforts to identify and ascertain the facts relevant to written advice on each Federal tax matter;
- (iv) Not rely upon representations, statements, findings, or agreements (including projections, financial forecasts, or appraisals) of the taxpayer or any other person if reliance on them would be unreasonable;
- (v) Relate applicable law and authorities to facts; and
- (vi) Not, in evaluating a Federal tax matter, take into account the possibility that a tax return will not be audited or that a matter will not be raised on audit.

Reliance on information is not reasonable if the practitioner “knows or reasonably should know that one or more representations or assumptions on which any representation is based are incorrect, incomplete, or inconsistent” (Section 10.37(a)(3)).

It is permissible to rely on another person’s advice if it is

reasonable and warrants good-faith reliance based on the facts and circumstances. If the practitioner “knows or reasonably should know” that the other person’s opinion should not be relied on, or that person lacks the necessary competence or qualifications to provide the particular advice or has a conflict of interest, reliance on the other person is not reasonable.

The IRS will use a “reasonable practitioner standard” to determine if a practitioner properly complied with Section 10.37. In this analysis, the scope of the engagement is considered, as well as the specificity of the advice the client sought. Where a practitioner knows an opinion will be used to promote or market a plan to avoid or evade tax, the reasonable practitioner standard for determining if the practitioner has complied with Section 10.37 will also consider “the additional risk caused by the practitioner’s lack of knowledge of the taxpayer’s particular circumstances.”

Revised Section 10.37 is effective for written advice rendered after June 12, 2014.

## Related SSTs guidance

The AICPA’s SSTs provide seven enforceable standards for CPAs providing tax services. SSTs No. 7, *Form and Content of Advice to Taxpayers*, should be considered along with new Section 10.37 of Circular 230 in determining the proper format and foundation of advice provided to clients. Key points of SST No. 7 include:

- Professional judgment must be exercised to ensure the advice appropriately serves the taxpayer’s needs.
- Advice should consider tax return reporting and disclosure standards and possible penalties of a tax return position.
- There is no obligation to communicate with the taxpayer when later developments affect the advice, unless such a requirement has been specifically agreed to or when assisting the taxpayer in implementing the advice.
- No standard format is required for providing or documenting oral advice.
- Decisions about the form of advice should consider various factors, including the importance of the transaction, dollar amounts involved, technical complexity, taxpayer’s level of tax sophistication, and the potential for penalties.
- Caveats should be used as appropriate, including that advice is based on the facts provided, that the legal authorities may change, that professional judgment has been applied as the member understands the facts and relevant law, and that subsequent developments may affect the advice provided.
- “Written communications are recommended in important, unusual, substantial dollar value, or complicated transactions.”
- The member should be aware of “applicable confidentiality privileges.”

### Tips for ethical compliance in rendering advice

- Check if your malpractice carrier has new advice or requirements in light of the Circular 230 changes.
- Consider client expectations about the form and content of advice.
- Follow up oral advice in writing to ensure a permanent and clear record. If the advice relates to complex or significant issues, consider having the client return a signed copy of the advice to you.
- Have procedures for documenting both oral and written advice. Those procedures should include how and where to store the information, how to maintain a log of the dates and nature of the advice provided, how to name electronic files for retrieval purposes, how to maintain confidentiality and security of the information, and how to record and store any client acknowledgment and response. Procedures should also exist for when client acknowledgment of receipt of written advice is required.
- Have procedures for identifying any advice or documents that are privileged under Sec. 7525 as communications to federally authorized tax practitioners or protected by the work-product doctrine and how to preserve that protection.
- Maintain a database of standard caveats to include on written advice, such as that the information is based on the law as of a specified date.
- Follow a standard format for research memos and letters to better ensure that the research is complete and documented, that appropriate caveats are included, and that applicable penalties, such as Sec. 6662 (accuracy-related penalty) and Sec. 6694 (tax return preparer understatement penalty), are considered.

A helpful approach for considering these tips and to derive additional ones appropriate for your firm is to make time to discuss new Section 10.37 and SSTS No. 7 in your office. Also, because advice to clients is an important contact point, consider how all of this can help strengthen client relations.

### Topic 161 - Returning an Erroneous Refund – Paper Check or Direct Deposit

If your refund was a paper refund check and the Treasury check **has not** been cashed:

1. Write "Void" in the endorsement section on the back of the check.
2. Submit the check immediately to the appropriate IRS location listed below. The location is based on the city (possibly abbreviated) on the second text line in front of the words TAX REFUND on your refund check.
3. Don't staple, bend or paper clip the check.
4. Include a note stating "Return of erroneous refund check because (and give a brief explanation of the reason for returning the refund check)."

If your refund was a paper refund check and the Treasury

check **has** been cashed:

1. Submit a personal check, money order, etc., immediately to the appropriate IRS location listed below. The location is based on the city (possibly abbreviated) on the second text line in front of the words TAX REFUND on your refund check.
2. Write on the check/money order: Payment of Erroneous Refund, the tax period for which the refund was issued and your social security number.
3. Include a brief explanation of the reason for returning the refund.
4. Repaying an erroneous refund in this manner may result in interest due the IRS.

### If your refund was a direct deposit:

1. Contact the Automated Clearing House (ACH) department of the bank/financial institution where the direct deposit was received and have them return the refund to the Internal Revenue Service.
2. Call the IRS toll free at 800-829-1040 to explain why the direct deposit is being returned.

When the amount of the refund (paper check or direct deposit) is different than what was expected, indicating the IRS changed the amount, a notice explaining the adjustment is mailed to your address of record. Please review the information in the notice to determine if the change to the refund is correct. A toll free telephone number is included on the notice in case you require further assistance.

IRS mailing addresses based on the city (possibly abbreviated) located on the second text line in front of the words TAX REFUND on your refund check:

- ANDOVER – Internal Revenue Service, PO Box 9311, Andover MA 01810
- ATLANTA – Internal Revenue Service, 2385 Chamblee Tucker Rd, Chamblee, Atlanta GA 30341
- AUSTIN – Internal Revenue Service, PO Box 934, Austin TX 78767
- BRKHAVN – Internal Revenue Service, 1040 Waverly Ave, Holtsville NY 11742
- CNCNATI – Internal Revenue Service, PO Box 12267, Covington KY 41012
- FRESNO – Internal Revenue Service, PO Box 12866, Fresno CA 93779
- KANS CY – Internal Revenue Service, PO Box 24551, Kansas City MO 64131
- MEMPHIS – Internal Revenue Service, 5333 Getwell Rd, Memphis TN 38118
- OGDEN – Internal Revenue Service, 1973 N Rulon White Blvd, Ogden UT 84404
- PHILA – Internal Revenue Service, 2970 Market St, Philadelphia PA 19104



## **SAVE THE DATE**

Our Biggest Event of the Year

# **2014 Long Island Tax Professionals Symposium**

**November 19, 20 & 21, 2014**

We will send you an email and post  
the information on our website when  
Registration will be open



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BOARD OF DIRECTORS  
FOR 11/1/2014-10/31/15**

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|                                  |         |                         |         |
|----------------------------------|---------|-------------------------|---------|
| Gary Sanders, CPA                | 2011-13 | Carol C. Markman, CPA   | 1993-94 |
| Bruce Berkowitz, CPA             | 2009-11 | Leon D. Alpern, CPA *   | 1992-93 |
| Donald Ingram, CPA, CISA         | 2007-09 | Harold Ogulnick, CPA    | 1991-92 |
| Barry Zalk, CPA                  | 2005-07 | Laurie Greenberg, CPA   | 1990-91 |
| Andrew L. Hult, CPA              | 2003-05 | Steven Greenberg, CPA   | 1989-90 |
| Anthony Finazzo, CPA, CFP, CVA * | 2002-03 | Robert Berkai, CPA      | 1988-89 |
| Michael Winnick, CPA             | 2001-02 | Irwin Rosenblatt, CPA * | 1987-88 |
| Karen P. Giunta, CPA             | 2000-01 | Carole Roble, CPA       | 1986-87 |
| Stuart G. Lang, CPA              | 1999-00 | Raymond Jablons, CPA *  | 1985-86 |
| Jerald I. Wank, CPA              | 1998-99 | Herbert Schoenfeld, CPA | 1984-85 |
| Jack Weisbrod, CPA *             | 1997-98 | Peter Ciccone, CPA      | 1983-84 |
| Arthur Libman, CPA               | 1996-97 | Bernard Rader, CPA      | 1982-83 |
| Rhona Liptzin, CPA, PFS, CFP     | 1995-96 | Samuel Baum, CPA*       | 1981-82 |
| Alan I. Brooks, CPA              | 1994-95 | Edwin J. Kliegman, CPA  | 1979-81 |

\*deceased

**MESSAGE FROM  
THE  
NASSAU/SUFFOLK  
CHAPTER  
OF NCCPAP  
PRESIDENT**



Hopefully you've enjoyed the summer (as short as it was) and are welcoming the autumn portion of tax season. The chapter had a successful series of A & A meetings this summer moderated and presented by Frank Gallo and Stuart Lang.

On July 30th, our MAP meeting was an actual class of the "Goldman Sachs 10,000 Small Business Initiative-Strategies to Accelerated Growth". It was presented by Paisley Demby who serves as the Business Services Director of the Goldman Sachs 10,000 Small Businesses Initiative at LaGuardia Community College. He had wonderful interaction with the attendees.

Always popular speakers, Bob and Neil Katz presented a workshop on preparing fiduciary income tax returns. It was well attended and well received.

On September 4th, we will have a combined Chapter and MAP meeting. It will be on "Protecting Your Practice". There will be an interactive panel discussion with our own members, Carol Markman, Craig Wild and Andrea Parness. They will discuss the various unanticipated difficulties that they encountered and how they were able to handle them. By using this information as a resource, we all can plan in advance. Also being discussed will be different engagement or disengagement letters, what we should know when there is a divorce (business or personal) and the new Circular 230 rules.

We also have a "Member Appreciation Meeting" at Mio Posto Restaurant on September 29th. Topics include maximizing Social Security Benefits and Avoiding Traps and Pitfalls of Annuities. Attendance will be at a discounted rate and if you bring a non-member, who has never attended a meeting, you receive \$10.00 back and your guest attends for free.

Finally, On October 1st, we will be attending the "Accounting Network Reception" at SUNY Old Westbury. This is a job fair and will enable us to meet students who will be graduating in the coming months. Let us know if you are interested in attending.

Small firms and sole practitioners, you're not alone. You always have a NCCPAP member as a resource.

Michael Rubinstein, CPA  
President

N/S NCCPAP Chapter  
michaelr@mrubinsteincpa.com



## **MESSAGE FROM THE EDUCATIONAL FOUNDATION OF N/S NCCPAP PRESIDENT**

### **WELCOME TO THE NEW FORMAT FOR NASSAU/ SUFFOLK CHAPTER MEETINGS**

In planning for Chapter meetings for the new season, our committee has created several great new topics. Of course, we always keep the best of our prior meetings.

We welcome members of all of our neighboring chapters to join us at all of our meetings, and to everyone...BRING A GUEST !!!

One of our biggest changes, due to popular request, is to use a panel and discussion for our evening Chapter meetings. This format has proven to be the most effective in many of our prior Chapter and MAP meetings.

Our topics will range in every topic applicable to your practice and are arranged to be timely to the tax calendar.

Be sure to see our schedule for all the topics ranging from planning and ideas for everyone in IRA Planning - College Planning- An evening of Real Estate Issues- Foreign compliance- and of course our famous tax update and roundtable.

Our September meeting is a very special joint meeting of our Chapter and MAP committee:

Kick off Our Season with How to Protect Your Practice -JOINT MAP and Chapter Meeting

This meeting will feature a panel of our own members who will show outside circumstances that have affected their practices, and teach us thru a panel of how to cope with these issues and more importantly how to prepare in advance !

Come join us as our panel discusses

- Office floods and fires and computer crashes
- How to survive the death of a partner or key firm member
- When is the right time to think about practice continuation and merge
- "negative" engagement letter- past due engagement letters- disengagement letters and the new Circular 230 Rules
- How to advise clients and protect yourself when they endure a divorce of marriage or business.

This experienced panel of Carol Markman, CPA, Andrea Parness, CPA and Craig Wild, CPA will share their stories and

give us insight that we all need to know. This is a preview of more MAP and Chapter topics to come. Abby Alhante, CPA will also introduce the concept of a new practice continuity committee now being formed.

Come join us at The Woodlands on September 4th at 5:30 PM for this terrific event.

Register now at [gonccpap.org](http://gonccpap.org).

Our goal remains what it has always been... to inform you on topics with group discussions and supply you with more than the basics...NCCPAP remains committed to helping you in being creative and responsive to your clients and your practice.

Hope you had a great summer, as we look forward to your participation in all of our exciting programs.

Gary Sanders, CPA  
President  
Educational Foundation NCCPAP  
[garys@rsgnccpas.com](mailto:garys@rsgnccpas.com)

# Joint Installation Dinner

on Wednesday, October 22nd

at Crest Hollow Country Club.....

invitation to follow



## **GOOD & WELFARE**

### **Our Congratulations to:**

Etta Gelbien on the engagement of her daughter, Jamie to Robert Irwin.  
Robert and Linda Goldfarb on their new home.

Ross, Patti Kass and Family on the marriage of their son, Michael to Katie Hyde.

### **Our Get Well Wishes to:**

Ed Kliegman, on his recovery from back surgery.

**Our Good & Welfare Chairman is Stephen Sternlieb,**  
CPA [steve@ssternliebcpa.com](mailto:steve@ssternliebcpa.com)



## MEETING SCHEDULE 2014

### Meeting Locations:

The Woodlands at Woodbury  
1 South Woods Road, Woodbury, NY 11797  
In the Town of Oyster Bay Golf Course

New York Life (NYL)  
576 Broad Hollow Road, Melville NY  
(Just south of the LIE on Route 110)

### NASSAU/SUFFOLK CHAPTER of NCCPAP EDUCATIONAL FOUNDATION OF N/S NCCPAP

22 Jericho Turnpike, Suite 110, Mineola, NY 11501  
(516) 997-9500 x. 2 Fax (516) 997-5155

Email: [egelbien@ns-nccpap.org](mailto:egelbien@ns-nccpap.org)

Website: [go.nccpap.org](http://go.nccpap.org)

\*Chapter Meetings: Registration/Dinner/Networking is at 5:30 PM  
4 CPE/A&A and 4 CPE/ETHICS Registration/Breakfast/Networking  
is at 7:45 AM

MAP Registration/Breakfast/Networking is at 7:45 AM

#### Thursday, September 4, 2014\*

Joint with MAP: Protecting Your Practice  
1 Tax/1 Advisory Services CPE The Woodlands

#### Wednesday, September 24, 2014

MAP - Branding Your Firm  
2 CPE/ MAP/Advisory Services The Woodlands

#### Monday, September 29, 2014

Membership Appreciation Dinner (MAD) - How to Maximize Social Security  
Benefits & Tax and Financial Considerations for Annuities  
2 Tax CPE Mio Posto Restaurant

#### Thursday, October 2, 2014\*

Roth and Ira Planning and Reverse Mortgages  
2 Tax CPE The Woodlands

#### Wednesday, October 22, 2014

Joint Installation Dinner Dance and Journal  
Crest Hollow Country Club

#### Wednesday, October 29, 2014

MAP-Meeting Topic to be announced  
2 CPE/ MAP/Advisory Services The Woodlands

#### November 19, 20 & 21, 2014

2014 Long Island Tax Professionals Symposium  
Crest Hollow Country Club

#### Thursday, December 4, 2014\*

Holiday Party - Payroll Issues For W-2; S- Corp; C-Corp  
2 Tax CPE The Woodlands

#### Wednesday, December 17, 2014

MAP-Gearing Up for Tax Season  
2 CPE/ MAP/Advisory Services The Woodlands

**\*\*SPONSORSHIPS ARE AVAILABLE FOR ALL MEETINGS.  
CONTACT THE OFFICE\*\***

## MEETING SCHEDULE 2015 SAVE THE DATES

| Day       | Date         | Time                  |
|-----------|--------------|-----------------------|
| Thursday  | January 15*  | 5:30-9:00 PM          |
| Wednesday | January 28   | 7:45 AM to 10:00 AM   |
| Thursday  | February 12* | 5:30-9:00 PM          |
| Wednesday | February 25  | 7:45 AM to 10:00 AM   |
| Thursday  | March 5*     | 5:30-9:00 PM          |
| Wednesday | April 29     | 7:45 AM to 10:00 AM   |
| Thursday  | May 14*      | 5:30-9:00 PM          |
| Thursday  | May 21       | 7:45 AM to 12:00 Noon |
| Wednesday | May 27       | 7:45 AM to 10:00 AM   |
| Thursday  | June 4*      | 5:30-9:00 PM          |
| Thursday  | June 11      | 7:45 AM to 12:00 Noon |

|               |                  |                       |
|---------------|------------------|-----------------------|
| Wednesday     | June 17          | 7:45 AM to 10:00 AM   |
| Tues & Wed    | June 23 & 24     | All Day               |
| Thursday      | July 2*          | 5:30-9:00 PM          |
| Thursday      | July 16          | 7:45 AM to 12:00 Noon |
| Thursday      | July 23          | 7:45 AM to 12:00 Noon |
| Wednesday     | July 29          | 7:45 AM to 10:00 AM   |
| Thursday      | August 6*        | 5:30-9:00 PM          |
| Thursday      | September 17     | 5:30-9:00 PM          |
| Thursday      | October 1*       | 5:30-9:00 PM          |
| Wed, Th & Fri | Nov. 18, 19 & 20 | All Day               |
| Thursday      | December 3*      | 5:30-9:00 PM          |

Calendar is subject to change

## **IRS AMENDS REGULATIONS FOR WRITTEN TAX ADVICE: SAY GOODBYE TO THE CIRCULAR 230 DISCLAIMER AT THE END OF EMAILS**

Effective June 12, 2014, the IRS has announced revisions to Circular 230: Regulations Governing Practice Before the Internal Revenue Service that are designed, in part, to provide a more flexible standard for all written tax advice. The regulations require that practitioners base all written advice on reasonable factual and legal assumptions, exercise reasonable reliance and consider all relevant facts the practitioner knows or should know. The new Circular 230 can be found at <http://www.irs.gov/pub/irs-pdf/pcir230.pdf>.

The most publicized change is the elimination of Covered Opinion Rules in §10.35, which required practitioners providing covered opinions to make certain disclosures in marketed opinions, limited scope opinions and other opinions. What this means is that a disclaimer under Circular 230 is no longer required. The IRS has, in fact, indicated that continued use of disclaimers that imply that they are required or pursuant to Circular 230 or related regulations would be misleading. Those practitioners who continue to include disclaimers that indicate they are required by Circular 230 or the IRS will receive cease-and-desist letters.

The elimination of the disclaimer requirement was prompted in large part by widespread overuse, where the disclaimer would appear on all written correspondence regardless of whether it was a covered opinion. Although the new regulations do not prohibit the use of general disclaimers that do not reference Circular 230 or IRS regulations, it may be beneficial for firms to provide tailored disclosures based on the particular facts and circumstances of an engagement rather than a generalized broad disclaimer automatically attached to every correspondence without regard to whether the correspondence provides advice. A customized approach is also in keeping with the new standard governing written advice and can incorporate appropriate limitations based on factors such as the scope of engagement, the information available and the actual opinion provided.

However, this does not mean, that the use of all disclaimers should be discontinued. Firms should continue to use a "Confidentiality" disclosure to provide protection in the event of an inadvertent breach of confidential communications.

*Article was submitted by Thomas Manisero, Esq of Wilson Elser Moskowitz Edelman & Dicker LLP. Tom can be reached at 914-872-7229 or email [Thomas.Manisero@wilsonelser.com](mailto:Thomas.Manisero@wilsonelser.com).*

## **OFFSHORE VOLUNTARY DISCLOSURE PROGRAM (OVDP) – NEW STREAMLINED COMPLIANCE AND TRANSITIONAL PROCEDURES**

On June 18, 2014 the IRS announced new procedures for taxpayers with undisclosed foreign financial accounts may. Most notably, the Domestic Streamlined Compliance Procedure provides a tempting alternative to the OVDP for two reasons. First, it imposes a reduced 5% offshore penalty versus the OVDP standard penalty of 27.5%. Second, it requires back taxes for a three year period versus the OVDP's eight year period. Further, previously unfiled informational forms (e.g., 8938 and 5471) need to be filed for the three year period.

A separate Foreign Streamlined Procedure applies for taxpayers who are non-US residents. A zero percent offshore penalty applies under this Procedure. Other characteristics of the Domestic Streamlined Procedure remain in the Foreign version. Non-resident taxpayers must file three years of amended tax returns or three years of original returns if the taxpayer previously failed to file.

Under either Procedure, a taxpayer must submit a statement under penalty of perjury that the taxpayer's conduct was non-willful. Non-willful is defined as "conduct that is due to negligence, inadvertence, or mistake or conduct that is the result of a good faith misunderstanding of the requirements of the law." Care must be taken; if the IRS finds the conduct willful, the Procedures offer no protection from further IRS enforcement or criminal penalties.

Taxpayers do not receive an IRS closing agreement and any submission is subject to a full IRS audit. Taxpayers who disclose under the Streamlined Procedures will not be able to switch to or enter the OVDP. Given the uncertainty, practitioners should be cautious in advising the tempting Streamlined route.

Taxpayers who entered the OVDP before the Procedure was available, may still be eligible to apply for the preferential five percent or zero percent offshore penalty under "Transitional Treatment." To be eligible such taxpayers must not have executed a closing agreement with the IRS under the OVDP and otherwise qualify for the Foreign or Domestic Procedure. The IRS will individually review every eligible transitional case and provide a closing agreement upon acceptance. If the IRS denies the preferential penalty due to finding willfulness, the taxpayer could reenter the OVDP.

Given the complexity of the various considerations, taxpayers with non-compliant foreign accounts are urged to seek professional advice.

*Robert S. Barnett, CPA, JD, MS (taxation) is a partner at Capell Barnett Matalon & Schoenfeld LLP in Jericho, New York, where he heads the tax and estate planning departments. Mikhail E. Lezhnev, JD, MBA is an associate in the tax and estate planning departments at Capell Barnett Matalon & Schoenfeld LLP in Jericho, New York.*





**EDUCATIONAL FOUNDATION  
OF NASSAU/SUFFOLK CHAPTER OF NCCPAP**

22 Jericho Turnpike, Suite 110, Mineola, NY 11501

(516) 997-9500 x. 2 Fax (516) 997-5155

Email: [egelbien@ns-nccpap.org](mailto:egelbien@ns-nccpap.org)

Website: [go.nccpap.org](http://go.nccpap.org)

# **MEMBER APPRECIATION DINNER**

## **Monday, September 29, 2014**



1 Hour Networking  
Wine and Beer 5-6 PM  
Full Dinner and Dessert

### **MAXIMIZE SOCIAL SECURITY BENEFITS with Peter Weinbaum, JD**

- Nationally Acclaimed "Social Security Maven" Will Speak About Social Security Planning.
- When And How To Best Apply.
- Planning Techniques & Benefits
- Mulligans And Do-Over's

### **ANNUITIES - AVOID TRAPS AND PITFALLS with Eric Chorney and Robert Barnett, CPA, JD, MS (Taxation)**

- Tax Benefits And Planning
- Navigating The Maze Of Options
- Cost - Benefit Analysis
- Annuities In Trust

**Topic: Maximize Social Security Benefits- 1 Advisory Service/MAP CPE**

**Topic: Annuities - Avoid Traps and Pitfalls- 1 Tax CPE Credit**

Location: Mio Posto Restaurant - 600 W Old Country Road, Hicksville, NY 11801

Time: Networking Hour: 5:00 to 6:00 PM Dinner: 6:00 - 6:45 PM Program: 6:45 to 8:30 PM

### **LIMITED TO THE FIRST 60 PEOPLE**

Cost: Members \$40.00 - Invite a NON-Member\* and receive \$10.00 back.

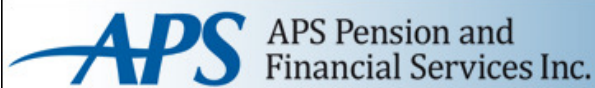
Your CPA Guest comes for Free!

\*NON-Member requirements is a CPA who has NEVER previously attended a NCCPAP Event.

Contact: [egelbien@ns-nccpap.org](mailto:egelbien@ns-nccpap.org) to verify if your guest has never attended any events.

**To register go to:**

**[go.nccpap.org](http://go.nccpap.org)**



1000 Woodbury Road, Suite 310  
Woodbury, NY 11797-2500

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**Dave Spiegel, CFP**  
Cell (516) 521-7599  
Fax (516) 228-8457

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## **SECOND OPINION EVALUATOR**

**INDEPENDENT**  
Pension Services, Inc.  
Consultants & Administrators



### Employee Benefits Consultants & Administrators

**401(k) & Profit Sharing Retirement Plans**  
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**Cash Balance Retirement Plans**  
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**IRS Audit Support**  
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**Flex Plans (Health & DCARE FSA's)**  
**Health Reimbursement Arrangements**  
**Qualified Transportation Plans**  
**COBRA Administration**  
**Welfare Benefit Plan Form 5500**  
**Health Care Reform (PPACA)**

### **25 Years Experience**

Contact Robert or Leslie

114 Old Country Road ~ Suite 520 ~ Mineola ~ NY 11501

Phone: (516) 747-5210 ~ Fax: (516) 747-5914

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# **CHAPTERS CALENDAR OF EVENTS**

## **September, October & November 2014**

### **Register now @ [go.nccpap.org](http://go.nccpap.org)**

#### **LONG ISLAND EAST**

Contact: James Diapoules, CPA (631) 547-1040

Tuesday, September 16, 5PM-9PM

**FINANCIAL STATEMENT ANALYSIS & FRAUD-**  
3 CPE credits (A&A)

@Ronkonkoma Courtyard Marriott, 5000 Express Drive  
South, Ronkonkoma, NY

Tuesday, October 21, 8 AM – 10 AM

**TECHNOLOGY UPDATE-** 2 CPE credits (MAP)

@Airport Diner, 3760 Veterans Memorial Hwy, Bohemia, NY

Tuesday, November 4, 5PM-9PM

**TRUSTS-** 3 CPE (Tax)

@Ronkonkoma Courtyard Marriott, 5000 Express Drive  
South, Ronkonkoma, NY

Tuesday, November 18, 8 AM – 10 AM

**SUCCESSION PLANNING-** 2 CPE credits (MAP)

@Airport Diner, 3760 Veterans Memorial Hwy, Bohemia, NY

#### **NEW YORK CITY**

Contact: Anthony Candela, CPA 646-328-1943

All meetings: 100 Park Avenue, Conference Room 8 A,  
between 40th and 41st, New York, NY

5:30 pm – 6:15 pm – Cocktails & Networking

6:20 pm – 8 pm - Presentation

September: no meeting

Thursday, October 16

**USING TECHNOLOGY FOR EFFICIENCY-** 2 CPE  
credits (Special Knowledge)

Thursday, November 13

**LONG TERM CARE; WHAT TO KNOW-** 2 CPE credits  
(Special Knowledge)

#### **NEW JERSEY (Northern)**

Contact: Fred Bachmann, CPA (973) 377-2009

e-mail: [bachmanncpa@msn.com](mailto:bachmanncpa@msn.com)

All meetings at Victor's Maywood Inn

122-124 West Pleasant Avenue, Maywood, NJ

Phone (201) 843-8022/[www.maywoodinn.com](http://www.maywoodinn.com)

6-8:00 p.m. - Dinner and Seminar

**To be announced**

#### **CENTRAL NJ**

Contact: John Raspante, CPA (732) 216-7552

All meetings @ The Cabin, 984 Route 33, Freehold, NJ

6-8:00 p.m. - Dinner and Seminar

Tuesday, September 9

**COMPILATION & REVIEW UPDATE-** 2 CPE credits  
(A&A)

Tuesday, October 7

**PEER REVIEW UPDATE-** 2 CPE credits (A&A)

November: **to be announced**

#### **DELAWARE VALLEY, PA**

Contact: Joseph Lowe, CPA – 610-489-8007

Usual Meeting Location: Peppers Italian Restaurant,  
239 Town Center Road, King of Prussia, PA

Tuesday, September 9

**OFFICE OPTIMIZATION-** 2 CPE credits (MAP)

Tuesday, October 14

TOPIC: **to be announced-** 2 CPE credits

Tuesday, November 11

**ACCOUNTING FOR THE AFFORDABLE CARE ACT;  
What to Expect-** 2 CPE credits (TAX)

#### **MASSACHUSETTS**

To Be Announced

#### **BLANK ROME & NCCPAP**

October 29, 2014-Philadelphia

**Annual Tax Seminar-** 8 CPE credits (TAX)

November 4, 2014-New York City

**Annual Tax Seminar-** 8 CPE credits (TAX)







# National Conference of CPA Practitioners

go.nccpap.org

NCCPAP National Headquarters  
22 Jericho Turnpike, Suite 110 - Mineola, NY 11501  
888-488-5400/516-333-8282/FAX 516-333-4099

## Membership Application

### Firm Information

Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Is the firm required to have a peer review? YES/NO

Referred by: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Physical Address (if Different): \_\_\_\_\_

Email address: \_\_\_\_\_

Phone number: \_\_\_\_\_

Fax #: \_\_\_\_\_

Website: \_\_\_\_\_

### CPA Owner/Partner/Shareholder – Entitled to Vote

Name: \_\_\_\_\_

Email Address: \_\_\_\_\_

CPA License #: \_\_\_\_\_ State: \_\_\_\_\_

PTIN #: \_\_\_\_\_

### First Individual – non-CPA firm – No Voting rights

Name: \_\_\_\_\_

Email Address: \_\_\_\_\_

PTIN #: \_\_\_\_\_

### Other Owner/Staff Member - No Voting rights

Name: \_\_\_\_\_

Email Address: \_\_\_\_\_

CPA License #: \_\_\_\_\_ State: \_\_\_\_\_

PTIN #: \_\_\_\_\_

Please list other owners(s)/staff member(s) on separate page

**Each member firm shall subscribe to and agree to be bound by the NCCPAP by-laws and all amendments thereto which can be found on our website**

### **Dues Schedule (includes \$195/base charge)**

- |                                                                  |       |
|------------------------------------------------------------------|-------|
| • CPA owner - designated as the individual entitled to vote      | \$270 |
| • Non CPA firm - First Individual - no voting rights             | \$270 |
| • Each additional owner(s) or staff member(s) - no voting rights | \$ 75 |
| • Maximum dues for any firm                                      | \$870 |
| • Retired CPA - no voting rights                                 | \$135 |

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Daytime Phone #: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

We understand annual dues are payable in full and in advance.

NCCPAP dues are tax deductible as a business expense but not as a charitable contribution.

### **CHOOSE A CHAPTER**

- ☐ Nassau/Suffolk, NY  
☐ Long Island East, NY  
☐ New York City, NY  
☐ Westchester/Rockland, NY  
☐ Northern New Jersey  
☐ Boston, MA  
☐ Delaware Valley, PA  
☐ South Florida  
☐ Other \_\_\_\_\_





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Association website **go.nccpap.org**

Members' interactive website **go.nccpap.org**

E-Mail **execdir@NCCPAP.org**

Phone **(516) 333-8282** Toll-Free **(888) 488-5400** Fax **(516) 333-4099**

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