

fiscal year 2010/2011

■ NYSSCPA ANNUAL REPORT



The NYSSCPA, in its 113th year, focused on redefining membership value in order to better meet the needs of the New York CPA in the 21st century. Throughout a building year with a new executive director, the Society identified and introduced new benefits and services that would construct a solid foundation for a future NYSSCPA.

The NYSSCPA has been the voice of the CPA profession in New York State for more than 100 years, and in order to implement this new vision, Society leadership sought feedback from the organization's more than 28,000 members—from those responsible for upholding this tradition, and from new members who will create the future NYSSCPA. Equipped with these member suggestions, the Society in fiscal year 2010/11 forged new partnerships with CPAs in larger firms; prepared for new programs, such as mandatory quality review; and introduced new advocacy initiatives that demonstrated the power of the NYSSCPA's collective voice, from Albany to Washington.

GOAL: ADVOCACY

As part of the Strategic Plan, it is the goal of the NYSSCPA to promote the professional interests of our members in the interest of the profession as a whole and the general public.

Objective 1.1: To position the NYSSCPA as a prominent and respected leader on national accounting, tax and financial issues

The NYSSCPA tackled the burdensome 1099 reporting requirement contained in the federal Patient Protection and Affordable Care Act through letters to New York's entire congressional delegation and a comment letter to the IRS. The Society argued that while reducing the tax gap is a noble goal, an increase in burdensome information reporting requirements for businesses—which would have had to report all payments to vendors in excess of \$600 annually made to vendors for goods and services—was not the appropriate avenue to pursue that goal. The provision was repealed on April 14, 2011, sparing small business owners the expense and burdens of compliance.

The Society also advocated during the 2010/11 fiscal year for a provision in S.23, which would ban the issuance of tax patents. The Society urged the New York congressional delegation to support this provision, Section 14 of the Patent Reform Act, based upon its strong opposition to tax strategy patents. Tax strategy patents, the NYSSCPA wrote, would create an unfair situation in which many taxpayers would be denied their rights to use any legal strategy to minimize their tax bills. The Senate's anti-patent bill passed in March, and a companion bill in the House—H.R. 1249, the Leahy-Smith America Invents Act—passed the House on June 23, 2011 and was being considered by the Senate at press time.

At the end of the Society's fiscal year in May, Society leaders who are also members of the AICPA Council attended the AICPA Council meeting in Washington, D.C., and presented our positions on topics of significance to CPAs to our New York state congressional delegation. These Society members met with the staffs of both senators from New York, as well as the offices of many of New York's representatives, to discuss a number of important issues, including—

- the need for tax simplification;
- the NYSSCPA's support of S.845, the Tax Return Due Date Simplification and Modernization Act of 2011, which would establish a logical set of due dates focused on promoting an efficient and sensible flow of information between pass-through entities and their owners;
- the Society's continuing support of the ban on tax strategy patents; and
- the NYSSCPA's support of H.R. 1864, the Mobile Workforce State Income Tax Simplification Act of 2011, which would create an exemption from interstate income tax withholding.

These actions helped position the NYSSCPA as a prominent and respected leader on national accounting, tax and financial issues.

Objective 1.2: To position the NYSSCPA as a prominent and respected leader on state accounting, tax and financial issues

Uniform Accountancy Act

A New York Senate proposal for cross-border practice mobility for out-of-state CPAs to practice in New York, S.2628-A, was a major Society initiative on the state level that has national implications.

The Senate passed its bill, sponsored by Sen. Toby Ann Stavisky (D-Queens), in March 2011 and then amended it to match changes made in the state Assembly's version—sponsored by Assemblymember Deborah J. Glick (D-New York City)—and passed it again on June 7, 2011. The Assembly passed the amended Senate bill on June 20, 2011. The Society sent a letter of support to the governor in June 2011 urging him to sign this legislation. The legislation was signed by the governor on Aug. 18, 2011, which made it law and brought cross-border mobility to New York state.

In the interest of public protection, a seven-year look-back period was added to the legislation to require some level of notice from out-of-state CPAs who, within the past seven years, have been the subject of final disciplinary action taken by any jurisdiction's licensing or disciplinary authority against any professional license, or had charges

of professional misconduct pending against them in any jurisdiction; have had a CPA license in another jurisdiction reinstated after a suspension or revocation; have been denied a license in any other jurisdiction for any reason other than inadvertent administrative error; or have been convicted of a crime or are subject to pending criminal charges in any jurisdiction.

The mobility bill would otherwise provide “no notice, no fee, no escape” mobility for out-of-state CPAs. It would also prevent New York CPAs from being subject to quid pro quo rules some states have included in their own mobility bills, which exclude CPAs from a state that has not adopted Uniform Accountancy Act (UAA) Section 23 legislation from providing services there. Mobility would

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Two Bylaws Changes Need Membership Vote
The NYSSCPA Board of Directors is proposing two bylaws changes that require a membership vote. The first proposal is to amend the Bylaws of the Society's CPA membership to bring it in line with the New York State Accountancy Reform Law of 2009, which under Article XVII, paragraph 1, is treated as a proposal to amend the bylaws.
The second proposal would add a new category of associate membership for non-CPAs working under the supervision of a CPA in industry, government or academia.
These proposals were unanimously approved by the NYSSCPA Board of Directors at its July 13 meeting, after receiving prior approval from the Executive Committee.
This special issue of *The Trusted Professional* is intended to provide background information for members voting on these proposals. Each proposal is outlined in this special issue. In addition, the actual text of the changes is included in this special issue. Visit us for the proposed Code of Conduct. See page 10 for the proposed bylaws amendments to associate membership.
On these pages, old language is struck through, and new language is underlined. Nonsubstantive formatting changes, such as punctuation or small formatting changes, have also been underlined but do not require a separate vote.
—Melissa R. Hoffmann, NYSSCPA Professional Staff

Proposed Code of Conduct Reflects Accountancy Law Changes
By CARA PATTERSON
Trusted Professional Correspondent
In September 2009, two months after New York's accountancy reform law went into effect, Immediate Past President David J. Murphy appointed a six-member task force to revise the NYSSCPA Code of Professional Conduct. The new law made this revision necessary because it expanded the definition of "public accounting" to New York to include the work and services provided by CPAs in industry, government and academia. The NYSSCPA needed to ensure the Code of Professional Conduct complied with this change.
Each task force member represented a different sector of the accountancy profession: Immediate Past President David J. Murphy (industry), Immediate Past President James R. Donohue, CPA (Public Practice), who brought to the task force an industry perspective; Michelle M. Levine of New York City's Office of Management and Budget and former chair of the Audit Committee, providing insight on government issues; Past President David A. Litten, who considered the law aspects of the code; with current President and President-Elect William A. Weighman, an auditing professor at Haverick College and former chair of the Public Sector Oversight Committee, who brought an auditor's perspective to the task force.
The group's greatest challenge, according to its members, was to revise the code so that it addressed not only CPAs practicing public accounting in public CPA firms, but all CPAs registered under the reform law for the first time. The task force believes the proposed revised code reflects a significant strengthening of its core ethical concepts and foundational principles.
A resolution to the Code of Professional Conduct requires a general membership vote. This resolution is included with this issue of *The Trusted Professional*. Members can receive the complete code revisions proposal starting on page 4. Decisions and additions to the code have been published as a single document. Members should carefully read and then vote to approve or oppose the revised definitions and rules to the Code of Professional Conduct, to which they will be held accountable if adopted.
(Continued on page 10)

Your Vote Counts
See page 4 and page 10 of this issue for proposed Code of Professional Conduct and bylaws revisions.
By MELISSA R. HOFFMANN
Trusted Professional Staff
The NYSSCPA Board of Directors approved on July 13, upon recommendation from the NYSSCPA Executive Committee, a proposed bylaws change that would create a new category of associate membership.
The Executive Committee accepted the proposal from the NYSSCPA Membership Committee, chaired by Sherry L. DeHoff, which requested that the new membership category be created for non-CPAs whose employment in industry, government, a nonprofit organization or educational institution is supervised by a CPA.
This recommended change to the NYSSCPA's bylaws is a response to the accountancy reform law, which brought into public practice CPAs working in industry, government and academia. The new associate membership category would be added to bylaw Article 1, Membership, paragraph 3, to parallel New York State Education Department regulations.
(Continued on page 9)

also remove the current notification requirement in the state's accountancy law, which now necessitates a temporary practice permit for out-of-state CPAs performing attest and/or compilation services in New York, as long as their home state is deemed to have licensing requirements that are “substantially equivalent” to those outlined in the UAA. Substantial equivalency would be determined by the New York State Board of Regents.

Martin Act expansion

The Society opposed legislation introduced in the state Assembly and Senate (A.6060/S.4497) that would expand the Martin Act, New York's securities law, by giving large institutional plaintiffs the same powers currently given only to the attorney general. The Society worked in opposition to this bill, noting its potentially negative impact on the business environment in New York state. No action was taken on this legislation in either chamber.

Deferred Compensation Task Force

The Society established a Deferred Compensation Task Force in July 2010 to address audit issues related to deferred compensation plans. The New York State Deferred Compensation Board mandates that plans undergo annual audits; however, plans had requested clarification regarding what type of audit was required and which plans needed to comply with the requirement. The state's Deferred Compensation Board asked the Society to help it clarify for its member plans what type of audits would be required.

The task force met with the staff of the deferred compensation board on several occasions and recommended an agreed-upon procedures engagement as an alternative attestation engagement for smaller-sized deferred compensation plans. Ultimately, the deferred compensation board promulgated new procedures in a formal ruling, which the task force commented upon and which implemented the agreed-upon procedures report alternative proposed by the task force.

Amicus briefs

The NYSSCPA and the AICPA jointly submitted an amicus brief to the New York State Court of Appeals in two cases: *Kirschner v. KPMG, LLP, et al.*, and *Teachers' Retirement System of La. v. PricewaterhouseCoopers LLP*, regarding the legal standard for imputation of corporate insider wrongdoing to the corporation, such that the corporation or its successor entities may not recover against third-party advisers, including accountants. The Society's position, which was reported in an article in the Nov. 15, 2011 issue of *The Trusted Professional*, was upheld by the Court of Appeals.

The NYSSCPA filed another amicus brief in a matter before the New York State Tax Appeals Tribunal regarding the reargument of a reopened case, *Matter of John Gaied*, that had implications for the state's “permanent place of abode” definition for statutory residency. The NYSSCPA argued in the brief that there is “simply no basis for disturbing the well-reasoned and well-supported decision already issued” by the tribunal and that the standards adopted by the tribunal are the same standards set forth in another case, *Matter of Evans*, which has stood as the primary authority in permanent place of abode cases for nearly two decades. Ultimately, the tribunal decided to reverse its original decision in a reargument of the case.

Quality review regulations

On Jan. 5, 2011, the New York State Board of Regents adopted final rules that implement the regulations of the accountancy reform law that mandate a quality review program be instituted in the state. The accountancy reform law requires, effective Jan. 1, 2012, that all firms seeking to register or reregister a firm with the state—other than sole proprietorships or firms with two or fewer accountants—participate in a quality review of the firm's attest services once every three years, unless a disciplinary action warrants additional reviews. However, this small-sized firm exemption does not apply to any firm that performs attest services for any New York state governmental agency, a governmental or proprietary function for New York state or any of its municipalities, or attest services specifically required to be performed pursuant to New York state law.

The Society submitted comments regarding regulations proposed by the New York State Board for Public Accountancy dealing with quality review. The State Board's proposed regulations were adopted by the Board of Regents in November 2010. The Society subsequently engaged in discussions with the New York State Education Department (SED) regarding the drafting of a sponsoring organization agreement for administration of the quality review program under the auspices of the new Quality Review Oversight Committee, to which four members were appointed by the Board of Regents in March 2011. The Society intends to apply to the SED to become a sponsoring organization and administer the quality review program.

Objective 1.3: To increase the Society's responsiveness to key financial and economic events

The comment letter process positions the Society as a prominent and respected leader on accounting, tax and financial issues. This is an effective mechanism to advocate for and influence the creation and adoption of sound policy and regulations in the areas of accounting, tax and finance and for the profession. It also promotes the professional interests of our members in conjunction with the interests of the profession and the public.

The Society produced 41 comment letters during this past fiscal year, which were sent to such regulators as the Public Company Accounting Oversight Board, the Securities and Exchange Commission, the Financial Accounting Standards Board, the International Accounting Standards Board, and the IRS, as well as to state lawmakers and the New York State Department of Taxation and Finance.

See page 10 for a full list of the 41 NYSSCPA comment letters submitted to regulators, lawmakers, agencies and standards setters during the 2010/11 fiscal year.

As part of the Strategic Plan, it is the goal of the NYSSCPA to provide members access to resources in order to realize their full potential as competent, educated, ethical and trusted professionals.

Objective 2.1: To position FAE as the premier professional education resource for CPAs and accounting professionals in New York state

FAE conferences

A total of 41 FAE conferences drew more than 4,200 registrants during the fiscal year. Fifteen of these conferences were held in-house at the FAE Conference Center in New York City, reducing costly hotel expenses.

Two new conferences, Family Office and the Entertainment and Sports Half-Day, drew, in total, close to 200 attendees.

FAE's best-attended conference was the 33rd Annual Nonprofit Conference, which drew 336 attendees in person and 123 via webcast, followed by the Exempt Organizations Conference, which brought in 285 in-person attendees, with another 45 attending via webcast.

This year's conferences featured many prominent speakers, including: David M. Walker, former comptroller general of the United States (CFO Conference); George S. Canellos, director of the New York Regional Office of the Securities and Exchange Commission (SEC) (CFO Conference); Jack Trachtenberg, the New York State Taxpayer Rights Advocate (Closely Held and Flow-Through Entities Conference); Harvey L. Pitt, the 26th Chairman of the SEC (Ethics Conference); Howard A. Scheck, chief accountant in the SEC's Division of Enforcement (SEC Conference); and Mary Foelster, director of Government Auditing and Accounting for the AICPA (Government Accounting and Auditing Conference). See page 17 for a full list of FAE 2010/2011 conferences.

FAE seminars

Approximately 5,300 registrants attended more than 387 seminars throughout the state of New York in the 2010/11 fiscal year. In total, FAE offered 137 courses, with 43 of those being new seminar offerings. In order to better serve the membership and the public, FAE offered more courses geared toward CPAs in industry who are now, because of the enactment of the accounting reform law, considered to be practicing public accountancy and are required to obtain annual continuing professional education (CPE) credits. FAE continues, through its seminars and other offerings, to provide a strong educational support system for the Society's membership, as well as for CPAs seeking CPE for the first time or who wish to keep abreast of the latest changes in the profession.

FAE On-Site Learning

FAE's On-Site Learning program allows firms to schedule CPE sessions with content specific to their needs, and have the courses conducted at the firms themselves. A total of 78 sessions held at 43 firms across the state resulted in the training of 2,806 CPAs and other accounting professionals. A total of 35 sessions were held at CPA firms in partnership with the AICPA; these sessions had a total attendance of 1,153.

The most popular sessions were FAE-developed ethics, accounting and auditing updates; the AICPA's nonprofit and governmental updates; and courses covering various levels of staff training.

Online CPE

The e-CPE program includes conference webcasts and committee-sponsored technical sessions that are one to three hours and available online. FAE also offers a self-study catalog.

Conference webcasts

Many FAE conferences are webcast live on the Internet and are often available at a later date for self-study. FAE aired 39 live conference webcasts this past fiscal year, drawing a combined total of 1,367 registrants. Two of the biggest draws during the fiscal year were the Public Schools Conference webcast, with 112 viewers, and the 33rd Annual Nonprofit Conference webcast, with 123 viewers.

Committee-sponsored technical sessions

NYSSCPA committees sponsor CPE through breakfast and evening technical sessions of one to three hours—available to both in-person and online attendees—that are free to members. In the 2010/11 fiscal

year, committees hosted a total of 69 CPE sessions/webinars, drawing 543 participants. In addition, 133 people took advantage of FAE's on-demand, self-study catalog.

Objective 2.2: To provide a forum for intellectual exchange through all statewide committees where CPAs can learn from one another

In the 2010/11 fiscal year, two new committees, the Business Exit and Succession Planning Committee and the Private Equity and Venture Capital Committee, were added to the Society's roster, while the Consolidated Returns and Affiliated Corporations Committee was renamed the C Corporations Committee. In addition, 2010/11 NYSSCPA President **Margaret A. Wood** established the statewide Young CPAs Committee, which comprised the chairs of the chapter-level young CPAs committees and spent its first year developing the first Young CPA Conference held in June 2011.

The NYSSCPA's statewide committees met more than 440 times during the fiscal year for members to exchange information, participate in technical presentations and discussions, draft comment letters, enhance competencies, sharpen presentation skills and network. Many of those meetings featured some form of CPE for the members to participate in, often with webcasts available.

Technical hotline

The NYSSCPA's technical hotline, which assists members with professional issues and inquiries for free, set another record in the number of calls received in the 2010/11 fiscal year.

Those seeking guidance on tax, accounting, auditing, industry, consulting and other services called the hotline 1,376 times. The Society began logging in hotline calls during the second half of the 2004/05 fiscal year, and the number of calls received has climbed steadily every year since. **Table 1** shows the number of technical hotline calls received over the years.

Tax committees received the most calls, with the Taxation of Individuals Committee, once again, topping the list with 164 calls. The remaining 787 tax inquiries were most often fielded by the New York, Multistate and Local Taxation; Closely Held and S Corporations; Partnerships and LLCs; and Relations with the IRS committees (**Table 2**).

The Financial Accounting Standards, Accounting and Review Services and Auditing Standards committees received the most accounting and auditing calls during the 2010/11 fiscal year. The Real Estate Committee received the most industry-related calls, and the Not-for-Profit Organizations Committee received the most calls in the Public Sector Division. Members also used the hotline to ask questions outside taxation, accounting and auditing. **Table 3** shows the types of calls received from the hotline over the last few years. These types of inquiries included licensing questions, which were often referred to the New York State Board for Public Accountancy; questions on CPE requirements and the CPA exam; questions regarding the Society's position on specific issues; and requests directed to the latest regulatory pronouncements and information on the Society's website.

More than 230 calls sought ethics and peer review guidance.

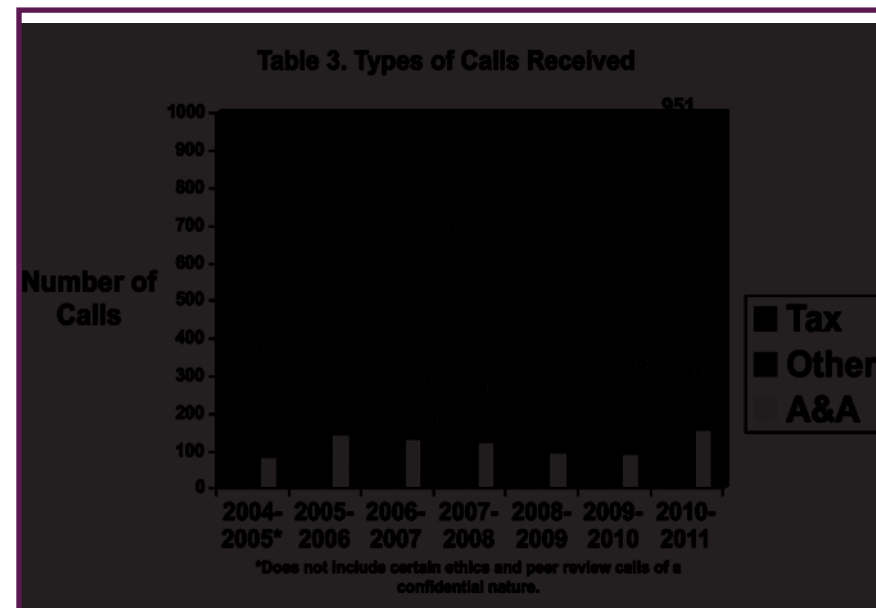
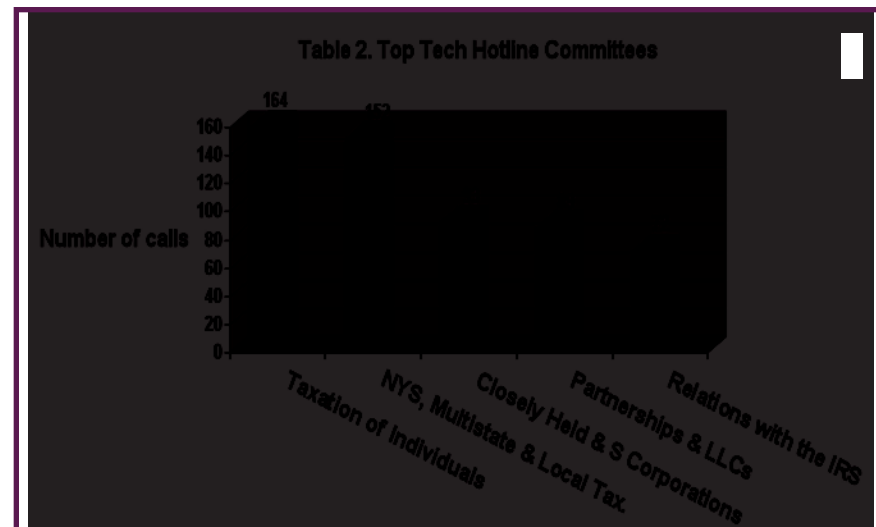
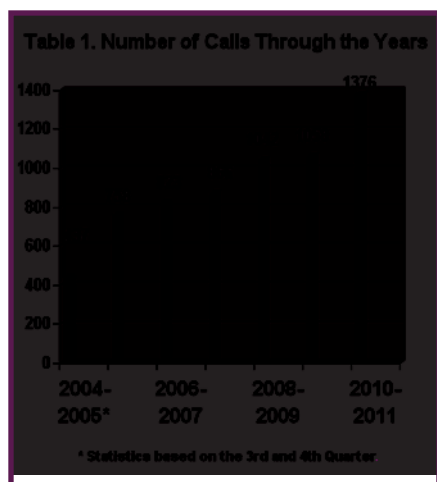
A committee volunteer's response to questions posed through the technical hotline neither substitutes for a member's own research and judgment nor constitutes an opinion of the NYSSCPA, of the committee or of the volunteer providing the assistance. General guidance is frequently offered by making a referral to an appropriate standards-setting body or to authoritative literature.

The 2010/11 fiscal year marked *The CPA Journal's* 81st year of publication.

The CPA Journal's editorial board met in June 2011. This annual meeting provides an opportunity for a dialogue among the editors, practitioners and academics about topics of interest to *Journal* readers. The 2010 Max Block Distinguished Article Award winners were announced and awards were distributed at the meeting. Each year since 1975, *The CPA Journal* has recognized the most outstanding articles of the year with this award.

Statistics showed that 47.6 percent of submissions received in fiscal year 2010/11 by the *Journal* were accepted, 21.4 percent were rejected and 31 percent were pending revision or a final decision (as of June 30, 2011). Academics authored 68.6 percent of the accepted manuscripts.

The *Journal* also covered Pace University's Lubin School of Business' fourth annual Forum on Contemporary Accounting Issues



Comment Letters

2010-2011

American Institute of CPAs

- ▶ Comments to the AICPA on a proposed Statement on Auditing Standards (SAS), *Filings with the U.S. Securities and Exchange Commission Under the Securities Act of 1933*, which would supersede SAS No. 37, *Filings Under Federal Securities Statutes* (AICPA, *Professional Standards*, vol. 1, AU sec. 711).
- ▶ Comments to the AICPA on proposed revisions to the Standards for Performing and Reporting on Peer Reviews, *Performing and Reporting on Peer Reviews of Quality Control Materials (QCM) and Continuing Professional Education (CPE) Programs*.
- ▶ Comments to the AICPA on a proposed SAS, *Interim Financial Information* (Redrafted), which would supersede paragraph 5 of SAS No. 116, *Interim Financial Information* (AICPA, *Professional Standards*, vol. 1, AU sec. 722).
- ▶ Comments to the AICPA on proposed revised SAS, *Financial Statements Prepared in Accordance with a Financial Reporting Framework Generally Accepted in Another Country*, which would supersede SAS No. 51, *Reporting on Financial Statements Prepared for Use in Other Countries* (AICPA, *Professional Standards*, vol. 1, AU sec. 534).
- ▶ Comments to the AICPA on proposed SAS, *Alert as to the Intended Use of the Auditor's Written Communication* (Redrafted), which would supersede SAS No. 87, *Restricting the Use of an Auditor's Report*.
- ▶ Comments to the AICPA on Omnibus Proposal, *AICPA Professional Ethics Division Interpretations and Definitions*, for possible adoption by the Professional Ethics Executive Committee.

Financial Accounting Standards Board

- ▶ Comments to the FASB on a proposed Accounting Standards Update: Contingencies (Topic 450), *Disclosure of Certain Loss Contingencies*.
- ▶ Comments to the FASB on a proposed Accounting Standards Update: Plan Accounting—Defined Contribution Pension Plans (Topic 962), *Reporting Loans to Participants by Defined Contribution Pension Plans*.
- ▶ Comments to the FASB on a proposed Accounting Standards Update: Fair Value Measurements and Disclosures (Topic 820), *Amendments for Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*.
- ▶ Comments to the FASB on a proposed Accounting Standards Update: Comprehensive Income (Topic 220), *Statement of Comprehensive Income*, which would require that all components of comprehensive income be reported in a continuous financial statement.
- ▶ Comments to the FASB on a joint FASB and IASB proposed Accounting Standards Update: Revenue Recognition (Topic 605), *Revenue from Contracts with Customers*.
- ▶ Comments to the FASB on a proposed Accounting Standards Update: Financial Instruments (Topic 825) and Derivatives and Hedging (Topic 815), *Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities*.
- ▶ Comments to the FASB on a proposed Accounting Standards Update: Health Care Entities (Topic 954), *Disclosure About Net Revenue and Allowance for Doubtful Accounts (a Consensus of the FASB Emerging Issues Task Force)*.
- ▶ Comments to the FASB on a proposed Accounting Standards Update: Business Combinations (Topic 805), *Disclosure of Supplementary Pro Forma Information for Business Combinations (a Consensus of the FASB Emerging Issues Task Force)*.
- ▶ Comments to the FASB on a proposed Accounting Standards Update: Compensation—Retirement Benefits—Multiemployer Plans (Subtopic 715-80), which would require an employer to provide additional quantitative and qualitative disclosures about its participation in a multiemployer plan as defined in the Master Glossary.

▶ Comments to the FASB on a proposed Accounting Standards Update: Intangibles—Goodwill and Other (Topic 350), *How the Carrying Amount of a Reporting Unit Should Be Calculated When Performing Step 1 of the Goodwill Impairment Test (a Consensus of the FASB Emerging Issues Task Force)*.

▶ Comments to the FASB on a proposed Accounting Standards Update: Receivables (Topic 310), *Clarifications to Accounting for Troubled Debt Restructurings by Creditors*.

▶ Comments to the FASB on a proposed Accounting Standards Update: Leases (Topic 840), a joint project of the FASB and IASB to develop a new approach to lease accounting that would ensure that assets and liabilities arising under leases are recognized in the statement of financial position.

▶ Comments to the FASB on a proposed Accounting Standards Update: Transfers and Servicing (Topic 860), *Reconsideration of Effective Control for Repurchase Agreements*.

▶ Comments to the FASB on a supplementary document, “Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities: Impairment,” issued by the FASB as a step preceding the development of an exposure draft of a proposed Accounting Standards Update.

▶ Comments to the FASB on a proposed Accounting Standards Update: Balance Sheet (Topic 210), *Offsetting*, addressing the differences in the offsetting (netting) requirements in U.S. GAAP and IFRSs.

▶ Comments to the FASB on a discussion paper, “Selected Issues About Hedge Accounting (Including IASB Exposure Draft, *Hedge Accounting*),” considering how best to improve and simplify standards for financial reporting of financial instruments and, at the same time, provide users with clearer and more complete information.

▶ Comments to the FASB on a proposed Accounting Standards Update: Intangibles—Goodwill and Other (Topic 350), *Testing Goodwill for Impairment*, which would simplify how an entity is required to test goodwill for impairment by permitting a qualitative assessment.

Financial Crimes Enforcement Network

▶ Comments to the Department of the Treasury: FinCEN on proposed *Amendment to the Bank Secrecy Act Regulations: Definitions and Other Regulations Pertaining to Prepaid Access*.

International Accounting Standards Board

▶ Comments to the IASB on an exposure draft, “Financial Instruments: Amortised Cost and Impairment,” representing the second phase of a project to replace IAS No. 39, *Financial Instruments: Recognition and Measurement*, the stated objective of which is to improve the decision-usefulness of financial statements.

International Auditing and Assurance Standards Board

▶ Comments to the IAASB on proposed International Standards on Auditing (ISA) No. 315 (Revised), *Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and Its Environment*; and ISA No. 610 (Revised), *Using the Work of Internal Auditors*.

▶ Comments to the IAASB on proposals relating to International Auditing Practice Statements (IAPSs) and the proposed IAPS No. 1000, *Special Considerations in Auditing Complex Financial Instruments*.

▶ Comments to the IAASB regarding its consultation paper, “Proposed IAASB Strategy and Work Program for 2012–2014.”

▶ Comments to the IAASB on its discussion paper, “The Evolving Nature of Financial Reporting: Disclosure and Its Audit Implications.”

Internal Revenue Service

- ▶ Comments to the IRS on Notice 2010-51, “Information Reporting Under the Amendments to Section 6041 for Payments to Corporations and Payments of Gross Proceeds and with Respect to Property,” regarding new requirements with respect to the reporting of payments made in the course of a payor’s trade or business.
- ▶ Comments to the IRS on “Recommendations to Improve Tax Reporting (Due Dates),” specifically, recommendations on changes to certain tax-filing due dates.
- ▶ Comments to the IRS regarding the effect on an S corporation shareholder’s stock basis of prior year losses that were not deductible because of the basis limitation on the deductibility of losses.
- ▶ Comments to the IRS indicating circumstances in which additional guidance might be beneficial with respect to regulations on basis reporting by securities brokers and basis determination for stock (Final Regulations 1.1012-1(c)(10), 1.1012-1(e)(12), 1.6045A-1(d), 1.6045B-1(g)).

New York Congressional Delegation

- ▶ Letter to the New York state congressional delegation requesting action to repeal Section 9006, which imposed unreasonably burdensome Form 1099 reporting requirements on all business taxpayers, particularly on small businesses.
- ▶ Letter to U.S. Sen. Charles E. Schumer’s (D-NY) office to urge support for legislative efforts to stop the issuance of tax patents proposed in Section 14 of the Patent Reform Act (S.23).

▶ Letter to New York state Gov. Andrew M. Cuomo recommending that the Office of the New York State Taxpayer Rights Advocate be continued, that its role be codified and offering suggestions as to its term, reporting and other aspects.

New York City Department of Finance

▶ Letter to New York City Department of Finance Commissioner David M. Frankel requesting resumption of the Tax Representatives and Practitioners Program (TaxRAPP), noting its benefit to both practitioners and the department.

New York State Board for Public Accountancy

▶ Comments to the New York State Board for Public Accountancy of the New York State Education Department on proposed new Section 70.10 of the Regulations of the Commissioner of Education to establish a mandatory quality review program for the profession of public accountancy.

Public Company Accounting Oversight Board

▶ Comments to the PCAOB on Release No. 2010-003—Proposed Auditing Standard, *Confirmation*, and Related Amendments to PCAOB Standards, which would supersede the board’s standard, AU Section 330, “The Confirmation Process,” and related amendments to the board’s auditing standards.

▶ Comments to the PCAOB on Release No. 2010-005, *Application of the “Failure to Supervise” Provision of the Sarbanes-Oxley Act of 2002*, addressing issues relating to the responsibilities of a registered public accounting firm and its supervisory personnel with respect to supervision.

Securities and Exchange Commission

▶ Comments to the SEC on interactive data to improve financial reporting—eXtensible Business Reporting Language (XBRL).

Visit www.nysscpa.org/page/society-comment-letters for more detail.

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Alfred Grillo

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Feature Articles

Unreported Offshore Accounts? New Yorkers Can Avoid State Tax Penalties Through Voluntary Disclosure Program
By William Comiskey, JD

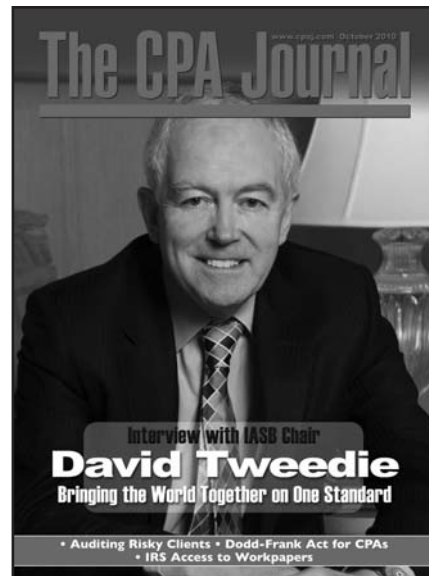
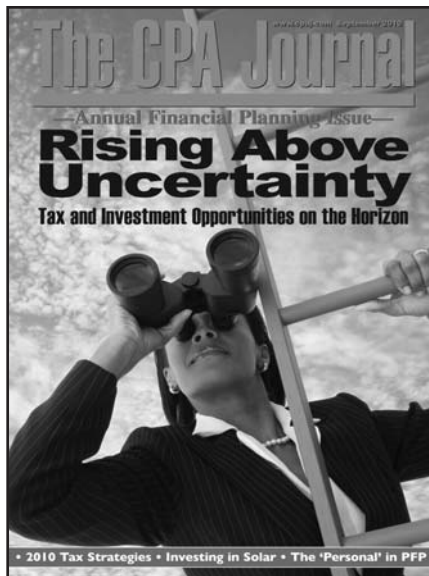
For New York taxpayers with unreported income in hidden offshore accounts, now is the time to come forward and disclose that income to both federal authorities under the IRS offshore voluntary disclosure initiative, and to state and local tax authorities under New York's Voluntary Disclosure and Compliance Program. [Read more.](#)



FBAR: The Final Regulations

By Melissa Gillespie, CPA, JD, MST

On Feb. 24, the Department of the Treasury, through its Financial Crimes Enforcement Network (FinCEN), released final regulations relating to Form TDF 90-22.1, also known as the FBAR, or the foreign bank and financial accounts form. [Read more.](#)



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on April 27, 2010. The event featured regulators, journalists and CPAs for a daylong discussion of the most pressing issues in the financial sphere. Transcripts and photos of the event were published in the magazine's June 2010 issue. This year, the topic of global accounting standards was explored through interviews with U.K. Accounting Standards Board Chair Ian Mackintosh, KPMG CEO John B. Veihmeyer and Securities and Exchange Commission Chief Accountant James L. Kroeker. Up-to-date

information was included on the issues involved in the impending move from U.S. Generally Accepted Accounting Principles to International Financial Reporting Standards (IFRS).

Some other highlights of the past year's issues include interviews with Sir David Tweedie, former chair of the International Accounting Standards Board, and Robert Herz, former chair of the Financial Accounting Standards Board. The January 2011 issue focused on ethics and professional responsibility, including articles on liability, quality

control and principles under IFRS. Other cover features included a look at deterring fraud in the July 2010 issue, an article in the August 2010 issue on the Supreme Court's ruling on the constitutionality of the Public Company Accounting Oversight Board, and an in-depth look at the Dodd-Frank Wall Street Reform and Consumer Protection Act in March 2011. The year's offerings also featured the September 2010 annual financial planning issue.

The CPA Journal published 12 issues this year, as well as a resource guide, published in December, that also includes an index of articles that appeared during the year in *The CPA Journal*. The resource guide is intended to help CPAs locate relevant information, products and services, including tax software, document management, CPE education information and NYSSCPA insurance administrators, among others.

NYSSCPA FYI/updates

NYSSCPA committee staff monitors and emails news items, bulletins and announcements that may be of relevance to specific statewide committees. The goal is for committees to find these items beneficial, help them keep current, spur discussion at committee meetings and pique interest in items that warrant Society comment. The results of this research are the FYI/updates, emailed lists of these aggregated news items and issues, which are distributed every two weeks to members of the NYSSCPA's relevant committees.

A higher volume of member feedback

was noted where recipients furnish the Society with their own items for general distribution.

In November 2010, the Society released its "Busy Season Alert," an update vehicle on key accounting and tax issues that members should be aware of in the upcoming busy season. It contained information reflecting the changing economic, social, regulatory and political environment surrounding the CPA profession.

Tax Stringer

The Tax Stringer—a monthly electronic newsletter written for tax practitioners by tax practitioners—was launched in October 2010 to provide tax members with up-to-date information from their peers regarding regulatory changes and professional issues. Tax Stringer features also include op-eds, an NYSSCPA Tax Division member profile, CPE information, a committee calendar, information about Society advocacy and member benefits.

There were eight issues delivered to members on the first day of each month during the 2010/11 fiscal year. The Tax Stringer had a total of 9,177 subscribers at the end of the fiscal year.

Some popular pieces in the newsletter included an article in the inaugural October 2010 issue that addressed formulaic clauses in dispositive instruments in estate planning, a top-ten list of estate and tax planning ideas in December, a February article addressing New York state's new tax whistleblower statute, and an article on new divorce laws in May.

33rd Annual NONPROFIT Conference
Reaching out to address the needs of the nonprofit sector in today's economic and regulatory environment

Thursday, January 6, 2011
RIT Inn & Conference Center
5257 West Henrietta Road
West Henrietta, NY 14602
8:15 a.m.—5:00 p.m.

Thursday, January 13, 2011
New York Marriott Marquis
at Times Square
1535 Broadway, at 45th Street
New York, NY 10036
8:15 a.m.—5:00 p.m.
(This location will also offer a LiveWebcast)

In addition to the popular Accounting & Auditing Update for Nonprofits and the Legal Update, choose concurrent sessions based on your interests: Industry; Accounting; Single Audit

Plus:
The highly acclaimed Ask the Experts Panel is back!

Sponsored by **HSBC** and **FAE**

Personal Financial PLANNING Conference
Optimizing Wealth in an Era of Uncertainty

Thursday, November 11, 2010
Bernstein Global Wealth Management
1345 Avenue of the Americas
New York, NY 10105
9:00 a.m.—5:00 p.m.
(Check-in begins at 8:30 a.m.)

- Jonathan G. Blattmachr, Esq., Discusses Estate Planning: **What to Do NOW?**
- Harley Gordon, Esq.: **Can We Live Forever? Plan for It.**
- Tom Bradley, CEO of TD AMERITRADE, on Independent Investing
- Roth IRA Reconversions and Alternatives
- Ethics for Today
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Everything you need to know to address your client's financial concerns

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GOAL: MAINTAIN THE PUBLIC TRUST

As part of the Strategic Plan, it is the goal of the NYSSCPA to maintain high professional standards and be a beacon of public trust.

Objective 3.1: To operate and enhance an ethics program to protect the public and maintain public confidence in the CPA profession

The NYSSCPA Professional Ethics Committee's (PEC) mission is threefold:

- (1) To maintain a relevant and responsive Code of Professional Conduct;
- (2) To investigate complaints involving the Code of Professional Conduct and bylaws and, where appropriate, applicable New York State Regulations and U.S. federal laws and regulations; and
- (3) To promote and educate the members on ethical behavior and standards.

The PEC undertook several initiatives related to its mission during the 2010/11 fiscal year, including a comprehensive

review of the NYSSCPA's Code of Professional Conduct interpretations. After a revised Code of Professional Conduct was approved by the membership in an Oct. 8, 2010, vote, the interpretations were reinstated on Nov. 16, 2010; however, the Executive Committee authorized the PEC to appoint a task force from among its members to review the interpretations and recommend appropriate changes required as a result of the accountancy reform law. A task force comprising five NYSSCPA members was appointed at the Jan. 21, 2011, PEC meeting. The task force met three times and proposed major changes that included the adoption of the interpretations to the independence section of the AICPA's Code of Professional Conduct in their entirety. The PEC voted to accept the proposal at its May 17, 2011, meeting. The proposal will be forwarded to

the Quality Enhancement Policy Committee for review and then to the Executive Committee for approval.

The PEC submitted a comment letter in response to an AICPA exposure draft that covered proposed new Interpretation 501-9, "Confidential Information Obtained from Employment," under Rule 501; proposed new Interpretation 501-10, "Financial Interests," under Rule 501; proposed new Interpretation 501-11, "False, Misleading, or Deceptive Acts in Promoting or Marketing Professional Services," under Rule 501; and proposed new definition, "Member in Business and Industry," under AICPA Code of Conduct ET sec. 92. Although the PEC supports the adoption of the interpretations, it had several observations with respect to the proposed 501-9 interpretation. The comment

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letter was posted to the NYSSCPA's and AICPA's websites.

The PEC investigated complaints of alleged violations of the Code of Professional Conduct and the NYSSCPA's bylaws. During the 2010/11 fiscal year, 12 new cases were opened and 42 cases were closed. Of the closed cases, several are being monitored for follow-up actions. Approximately 47 cases currently remain under investigation.

The AICPA presented 16 cases—and several cases were revisited—during the 2010/11 fiscal year for concurrence by the PEC, which means that the individuals involved belong to both the NYSSCPA and the AICPA, as well as, possibly, other state societies. These joint investigations are conducted so that two or three separate investigations are not needed. Approximately 90 cases are currently under investigation or are being monitored by the AICPA involving Society members under the Joint Ethics Enforcement Program. In cases in which the PEC found violations of the Society's Code, letters were issued indicating required corrective action, with directives including the successful completion of continuing professional education (CPE), preissuance reviews and work product follow-up. Settlement agreements included membership suspension with CPE and member expulsion.

Objective 3.2: To upgrade and maintain a peer review program to help ensure assurance of service quality to protect the public

The 2009 New York State Accountancy Reform Law mandates a new quality review program overseen by the state in New York as of Jan. 1, 2012. It will be a condition of reregistration for accounting firms, except for sole proprietorships or firms with two or fewer professionals, unless these accounting firms perform attest services for any municipal or state government agency or provide an attest service specifically required under New York state law. Small firms exempted under the reform law may voluntarily participate in the quality review program. In addition, the reform law revised the competency rules whereby certain firms whose owners fail to meet a threshold "attest" experience requirement have the option to remedy this shortfall by voluntarily undergoing a quality review or peer review. This provision is effective during 2011 and resulted in more than 80 enrollments of previously unenrolled firms.

The Society submitted comments regarding regulations proposed by the New York State Board for Public Accountancy dealing with quality review. The State Board's proposed regulations were adopted by the Board of Regents in November 2010. The Society subsequently engaged in discussions with the New York State Education Department (SED) regarding the drafting of a sponsoring organization agreement for administration of the quality review program under the auspices of the new Quality Review Oversight Committee, for which four members were appointed by the Board of Regents in March 2011. The Society intends to apply to the SED to become a sponsoring organization and administer the quality review program.

The NYSSCPA serves as the administering entity for the AICPA Peer Review Program for firms that are headquartered in New York state and are enrolled in the institute's Practice Monitoring Program. New York-based firms that are not AICPA mem-

bers may elect to undergo a non-AICPA peer review that is administered by the NYSSCPA.

Completed reviews are sent to the Society's Peer Review Group for processing and technical review, prior to being sent to the NYSSCPA Peer Review Committee for acceptance.

During the 2010/11 fiscal year, more than 435 reviews were scheduled and more than 475 previously scheduled reviews were deliberated and accepted by the Peer Review Committee. Reviews remaining open as of the last day of our fiscal year, May 31, 2011, were either pending technical resolution, submission of documents or completion of follow-up actions mandated by the committee as part of a conditional acceptance. Of the 475 completed reviews, more than 335 were system reviews; the remainder were engagement reviews.



Members of the 2010/11 NYSSCPA Board of Directors meet on July 13 in Verona, N.Y., to vote on proposed bylaws changes. The changes were later approved by the membership in an Oct. 8, 2010, vote.

The Peer Review Committee conducted 12 peer review oversight reviews during the 2010 calendar year. The committee issued three Peer Review Administrative Alerts, which were distributed to all active reviewers in New York state to update them on changes to reporting requirements and related matters under the new peer review and risk assessment standards. The committee also held separate meetings with selected reviewers to discuss reporting and administrative requirements under the new standards to improve review performance and reporting, and to make the acceptance process more efficient.

The Society maintains current information with respect to peer review developments on its website at www.nysscpa.org under the "Professional Resources" section.

A key element to improving the quality of the peer review program and enhancing trust in it is a focused effort to increase the skill level of reviewers, enhance the resources available to them, and effectively monitor required experience and education levels. With this aim, the NYSSCPA held basic training courses for peer reviewers in New York City and Buffalo, and an advanced course for experienced peer reviewers was held in New York City.

The NYSSCPA implementation process for the AICPA's new database system—PRISM—has been ongoing as the AICPA continues to roll out PRISM features.

The Society undertook an extensive analysis of the expected impact on operations from mandatory quality review, including estimating and forecasting growth in program enrollees, human and technological resource requirements, and process and procedure enhancements in order to qualify

as the sponsoring organization for the administration of quality review in New York state.

The NYSSCPA's peer review staff began conversion from a paper-intensive to a paperless process during the 2010/11 fiscal year. The conversion is being accomplished without disruption of Society services to the peer review community, the Peer Review Committee or the AICPA Peer Review Program. All correspondence, from enrollment and scheduling of firms' peer reviews to the final acceptance of the review report, will be accomplished through email and secure access to the NYSSCPA's website, a process that was developed in the 2011/12 fiscal year. This will reduce processing costs and will result in a shorter processing time from the commencement of a review until its completion.

and state finance issues, as well as three editorials focused on investing.

Letters to the editor are also frequently published in *The CPA Journal*. In the 2010/11 fiscal year, the *Journal* received eight letters to the editor responding to articles, opinion pieces and columns from the editor-in-chief and publisher.

Objective 3.4: To continuously improve the governance of the Society to maintain its role as a model professional society and a deserving repository for the trust of the CPA profession and the public

The Society implemented two member-approved changes to the bylaws and a revised Code of Professional Conduct during the 2010/11 fiscal year. In October 2010, the membership voted to approve a new associate membership category for non-CPAs who are supervised by a CPA and employed in industry, government, nonprofit or educational environments. The membership also approved changes to the Code of Professional Conduct to align with the accountancy reform law and incorporate important concepts such as the expansion of the definition of the practice of public accountancy and the introduction of whistleblowing concepts into the Code. These member votes were preceded by extensive work by the Membership Committee and Code of Conduct Reform Task Force.

In addition, 2010/11 NYSSCPA President **Margaret A. Wood** established several new task forces at the 2010 Annual Leadership Conference. The Real Estate Task Force, chaired by **J. Michael Kirkland**, was established to examine the current lease for the NYSSCPA and the future real estate needs of the Society; the Industry Outreach Task Force, co-chaired by **Richard E. Piluso** and Kirkland, was established to examine issues related to members in industry, government and academia; the NYSSCPA/FAE Affiliation Agreement Task Force, chaired by **Gail M. Kinsella**, was charged with examining the affiliation agreement between the NYSSCPA and FAE, and the ongoing needs for each organization as the relationship evolves; and the Strategy Task Force was established to review and make recommendations for revisions to the Society's bylaws.

Nominating Committee

The 2010/11 Nominating Committee, chaired by **David A. Lifson** and consisting of 11 members, was formed in October 2010. It was charged with the nomination of a president-elect, four vice presidents, a secretary/treasurer, six at-large directors and five directors representing chapters. The nominees selected by the Nominating Committee were successfully elected by the membership-at-large to their positions and were formally inducted at the 114th Annual Election Meeting and Dinner in New York City on May 19, 2011. The Society received 2,225 valid proxy votes, with 2,052 votes in favor of electing the uncontested nominees; 173 were opposed or partially opposed.

Political Action Committee

The NYSSCPA Political Action Committee (CPAPAC), led by **Anthony G. Duffy**, held regular meetings during the fiscal year, established a new disbursement guideline and stated that the primary focus of the committee contributions during the year would be targeted toward maintaining positive relationships

Objective 3.3: To maintain a communications outreach program

The publisher's monthly column for *The CPA Journal* is used as an outreach vehicle on a number of issues on which the Society has taken a position.

Several of the publisher's columns in the 2010/11 fiscal year focused on advocating for issues as the professional association for New York CPAs. For example, a December 2010 column entitled, "Making Our Voice Heard on Tax Issues," outlines the importance of the CPA's role in deciphering and applying the requirements of the country's new health care reform law. "Our Collective Voice Gets a Caucus," published in April 2011, lauds the new Congressional CPA Caucus as an important step in bringing the proper perspective to fiscal and budgetary issues. Another column in February 2011, "Trouble Brewing: Are Nonprofits the Next Roslyn?" uses the well-known Long Island school system fraud as an illustration of how important it is that auditors speak up and ensure that due professional care is taken in the audits of nonprofit organizations.

Other columns championed diversity in the accounting profession, advocated for the Comptroller General of the United States to be a CPA, discussed the confusion arising from the Dodd-Frank Wall Street Reform and Consumer Protection Act, and highlighted both the challenges and opportunities of an economic recession and subsequent recovery.

The CPA Journal also features a monthly editorial written by its editor-in-chief. In the 2010/11 fiscal year, these editorials covered, among other topics, the potential for the Securities and Exchange Commission to be self-funded, the 2011 payroll tax holiday

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with legislators during this nonelection year and to support the Society's legislative goal to help bring mobility to New York. This goal was realized during the 2011/12 fiscal year, when the governor signed the mobility bill into law on Aug. 17, 2011.

Board of Directors and Executive Committee

The Board of Directors held four face-to-face meetings and five meetings via conference call during the 2010/11 fiscal year. The Executive Committee held 10 face-to-face meetings and two meetings via conference call. The minutes for these meetings are available on the Society's website at www.nysscpa.org.

The Board of Directors approved the fiscal year 2011/2012 budget and accepted the audited financial statements for the fiscal year that ended May 31, 2010, as prepared by the Society's external auditors.

Over the course of the year, the Executive Committee and Board of Directors took several actions related to their governance functions. The Board adopted the changes for the bylaws, as recommended by the Membership Committee, and forwarded the changes for the bylaws to the membership for a vote. The membership approved the changes adopted by the Board of Directors to the Code of Professional Conduct on Oct. 8, 2010. The Board also renewed the affiliation agreement between the NYSSCPA and FAE for one year, after an extensive review by the NYSSCPA/FAE Affiliation Agreement Task Force; appointed a new auditor to a one-year contract with three one-year renewals; and adopted a policy regarding publication of financial statements and determined that the Society's financial statements would be placed on the NYSSCPA's website for member reference and would no longer be published in their entirety in *The Trusted Professional*.

The Executive Committee approved adoption of the previous interpretations to the rules in the Code of Professional Conduct, pending a full review by the PEC, established a new dues class for associate membership, revised its position on a proposal that CPA candidates obtain master's degrees prior to licensure and decided not to support that policy issue, updated the Society's Conflict of Interest Disclosure Statement, and approved the Form 990 tax return for the Society and all its affiliated entities.



2010/11 NYSSCPA President Margaret A. Wood (right), with 2010/11 Vice President Gail M. Kinsella, and 2010/11 NYSSCPA President-elect Richard E. Piluso at the 10th Annual Leadership Conference in July 2010.

10th Annual Leadership Conference— July 11–13, 2010

The Society held its 10th Annual Leadership Conference at the Turning Stone Resort and Casino in Verona, N.Y., from July 11–13, 2010. Based on a member's appointment as of June 1, 2010, invitations were sent to the NYSSCPA Board of Directors, FAE Board of Trustees, CPAPAC, NYSSCPA past presidents, FAE trustees past presidents, statewide committee chairs (as of June 2010), chapter presidents and presidents-elect, the chairs of chapter-level young CPAs committees and New York-appointed members of the AICPA Council. Total attendance was 139 members, plus guests and key Society staff.

President Wood set the theme for the conference as "Working Together," and three days of sessions were designed to define and identify the value of Society membership, as well as ways to increase the value of membership through new programs and initiatives. To this end, several brainstorming sessions explored three essential areas—advocacy; committees, especially the formation of a new statewide Young CPAs Committee; and reaching out to CPAs in industry, academia and government who are new to the practice of public accountancy. In addition, the Board of Directors approved bylaws changes that were later put to a membership vote.

GOAL: RECOGNITION AND VISIBILITY

As part of the Strategic Plan, it is the goal of the NYSSCPA to promote the value and contribution of CPAs.

Objective 4.1: To build an awareness of the role of CPAs for various constituencies

2010/11 President Wood chose "working together" as the theme of her presidency, to take the Society in a new direction. Wood's "working together" theme was also the theme of the 2010 Annual Leadership Conference in Verona, N.Y., and she solicited feedback from members around the state at the annual Town Hall meetings held at each NYSSCPA chapter.

Business media were contacted with press releases regarding FAE conferences and other events, and attended regularly, often writing follow-up articles for print and online publications. During the 2010/11 fiscal year, 63 press releases and media alerts were issued that informed media of major NYSSCPA milestones and other issues of importance to CPAs and other financial professionals. Some were intended to inform the public, including one issued on Oct. 27, 2010, that offered year-end tax tips from NYSSCPA tax members. Other alerts were issued to the media regarding events of topical significance, including breakfast briefings on hot tax issues, the Dodd-Frank Wall Street Reform and Consumer Protection Act, "Whistleblowing Under

Dodd-Frank" and corporate tax reform. Alerts were also circulated announcing each comment letter issued by the Society during the 2010/11 fiscal year. The Communications Department began issuing press releases to accompany comment letters, increasing the number of media placements as a result.

Press releases were also distributed announcing the election of all new officers, directors and chapter presidents, providing the public and the media with information on the governance of the Society and highlighting the achievements of these accomplished CPAs. Other releases highlighted Society comment letters; Society awards, such as the Distinguished Service Award, the Dr. Emanuel Saxe Outstanding CPA in Education Award, the Distinguished Service Award in Government, the Outstanding CPA in Industry Award, the Arthur J. Dixon Public Service Award and the Max Block awards for *The CPA Journal*; chapter events; and the Career Opportunities in the Accounting Profession (COAP) program. Press releases were also issued for the FAE's 2010 Excellence in Accounting and COAP scholarships.

The NYSSCPA's Communications Department continued to update the

Society's blog and Twitter and LinkedIn accounts, as well as its Facebook pages, with information publicizing Society news and activities, such as its Breakfast Briefing panel series, its Excellence in Financial Journalism Awards, awards for distinguished service by New York CPAs and other programs. These social media vehicles were also used to alert followers and members to issues of importance to New York CPAs.

The Communications Department also contributes to the editing and publishing of the members-only *Tax Stringer*, a monthly e-newsletter written by tax practitioners and launched in October 2010. *Tax Stringer* is sent to all NYSSCPA members and additional member subscribers with an interest in taxation. *Members in the News*, which launched in March 2011, is a weekly publication emailed to Society leadership to keep them apprised of member activities, via links to and clips of stories, as well as to multimedia videos, in which Society members have been featured or quoted.

Objective 4.2: To promote the image of CPAs with the public-at-large

Members who are experts in a particular area of the profession are linked with the press through various media placements, an

important service provided by the Society. These placements also serve to maintain the NYSSCPA as a valuable source for reputable and reliable accounting professionals to interview.

This fiscal year, 425 media interviews were arranged through the Society's Public Relations Department. Topics included the extension of the Bush-era tax cuts, New York state tax changes, sales tax issues, online software audits in tax court, investment issues, Troubled Asset Relief Program funds, the alternative minimum tax and the consequences of a federal government shutdown.

The NYSSCPA also produced three public service announcements for New York state radio stations during tax season. These public service announcements received 2,367 airings on 30 stations, with 2,057,900 audience impressions and \$111,812 in total donated media value.

Regular television segments featuring Society members were aired on New York City's NY1, Fox Business, WCBS-TV, CNBC, CNN, WCNY-TV in Syracuse and WROC-TV in Rochester. The NYSSCPA is now in its third year working with WROC-TV's "At Sunrise" program, and has had members appear in 36 segments.

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Members also worked with Bloomberg Videos on Demand to produce segments on bankruptcy, college savings plans, credit card debt, planning for college and budgeting. Crain's New York Business worked with the NYSSCPA in producing regular segments on accounting. CCH interviews with members continued this year, and the Society worked with AARP Magazine on a website video providing midyear tax tips for seniors.

The NYSSCPA sponsors tax panels, hosted by newspapers throughout New York state, which accept tax questions from the public in a call-in-center format. The panelists offer free expert guidance to the public while increasing the visibility of the Society and the CPA profession.

The NYSSCPA's Staten Island Chapter, in conjunction with the Staten Island Advance, held its first volunteer tax panel this year on March 22, joining six other NYSSCPA chapters and newspapers in what has now been an annual volunteer effort for a decade. It was also the first year that the Albany Times-Union had a tax panel, which was held in conjunction with the Society's Northeast Chapter. There were seven tax panels in total, with 97 CPA members participating, compared to 48 CPAs the prior year. Over 1,500 tax questions from consumers were handled by NYSSCPA CPAs by telephone and online. Panels were held at The Westchester Business Journal, The Buffalo News, the Syracuse Post-Standard, the Staten Island Advance, the New York Daily News, the Poughkeepsie Journal and the Albany Times-Union. The New York Daily News panel in New York City was held over three full days. Also during tax season, the Society organized a presentation by three CPA members on "Taxes for Journalists," before members of the New York City Press Club.

Work on financial literacy projects continued with a three-part series of events at Mercy College in White Plains, which was funded by the New York Stock Exchange. Members from various Society committees presented at these events. The Society also produced a seminar on Oct. 26, 2010, for journalists, at the NYSSCPA's headquarters, where they were taught how to read and understand financial statements. The session was attended in person by 31 journalists, while another 46 joined in via webcast.

The Society also helps to establish chapters as a presence in their communities and to demonstrate the expertise of CPA members. Press coverage was obtained for chapter events, including World of Accounting in Rochester and Syracuse, and Treats for Troops and Toys for Tots, both in Suffolk County. Other student outreach events publicized by the NYSSCPA included the Mid Hudson Chapter's Student Awards and the Westchester Chapter's College Financial Planning, Admissions and Scholarships Seminar.

Stories on Society and FAE events were published in such news media as the Staten Island Advance, Reuters, the Buffalo Law Journal, Crain's New York Business, Long Island Business News, CFO.com, WebCPA, AccountingWeb and Bloomberg News, among others, as well as the blogs HedgeFundSmarts and re:The Auditors.

Objective 4.3: To increase the Society's visibility and credibility with the media

The Society helped to increase the visibility and image of its members and the



Panelists take questions from CPAs and members of the press at the NYSSCPA's 10th Breakfast Briefing, "Whistleblowing Under Dodd-Frank," in January 2011. Moderator Francine McKenna, at left, is joined on the panel by Enron whistleblower Sherron Watkins, CPA; PCAOB Division of Enforcement and Investigations Deputy Director Marion E. Koenigs, CPA; and former SEC Commissioner Paul S. Atkins.

CPA profession during the past fiscal year by continuing its Breakfast Briefing series on topics of particular interest to the public as well as to those in the CPA profession. This effort featured opportunities to establish CPAs as expert sources on financial topics and inform the public and media about important issues and events.

"Hot Tax Issues in Washington" was the fiscal year's first Breakfast Briefing, on June 22, 2010. A total of 81 people attended in person, while another 104 joined in via webcast. A Sept. 23, 2010, Breakfast Briefing on the Dodd-Frank Wall Street Reform and Consumer Protection Act drew 115 people to the Society's headquarters, while another 99 participated via webcast. "Whistleblowing Under Dodd-Frank," held on Jan. 28, 2011, was attended by 78 people, with another 81 watching the webcast; and the Breakfast Briefing on Corporate Tax Reform, held on April 27, 2011, was attended in person by 61 people and 59 via webcast.

The four breakfast briefings held during the 2010/11 fiscal year were well attended by NYSSCPA members, nonmembers and the media, and featured expert panelists on topical issues. For the Breakfast Briefing on "Whistleblowing Under Dodd-Frank," Enron whistleblower Sherron Watkins, CPA, was a featured panelist, in a session that received widespread attention by the media. Moderator Francine McKenna of Forbes, and author of the blog re:The Auditors, live-tweeted the event for her significant Twitter following of more than 6,600. Panelists and moderators for breakfast briefings were recruited from regulatory bodies, firms and the media.

The Society recognizes reporters from national and local press who contribute to a better understanding of business topics by offering its annual Excellence in Financial Journalism Awards. Journalists were contacted and encouraged to enter the competition through media advisories and advertisements. Selected members of the Society and the New York Financial Writers' Association determined the winning entries from 44 submissions in 15 different categories according to the length of the piece and media type, such as print, electronic or radio. The winners received their awards at a luncheon at the Yale Club in New York City in May 2011.

The annual Michael H. Urbach CPA Community Builders Award, cosponsored by the Society and the New York Council of Nonprofits, was presented to Edward S. Mucenski in October 2010. The award recog-

nizes the exemplary achievements of a CPA who serves on the board of directors of a charitable organization and who is a member of the NYSSCPA.

Objective 4.4: To maintain The Trusted Professional as the public, unified voice of all New York state CPAs

The Trusted Professional, now in its 13th year of publication, printed 19 issues during the 2010/11 fiscal year, which included a special September 2010 issue that covered two major proposed bylaws changes requiring a vote of the Society's membership. One change regarded the creation of a new associate membership category for non-CPAs whose employment in industry or government or at a nonprofit organization or educational institution is supervised by a CPA. Secondly, a revised Code of Professional Conduct was proposed with changes that aligned with the accounting reform law of 2009. The membership approved both changes. This announcement was published in the Nov. 1, 2010, issue.

Throughout the 2010/11 fiscal year, The Trusted Professional covered major issues affecting the accounting profession in New York state, including meetings of the State Board for Public Accountancy and New York State Legislature, about actions affecting the CPA profession, such as the discussion and eventual votes on mobility legislation and the state's budget.

A legislative proposal for mobility for out-of-state CPAs to practice in New York is a major Society initiative and was covered extensively in The Trusted Professional, in the NYSSCPA E-zine, on CPA.Blog and on the Society's website. Stories tracking the progress of the legislation were published in The Trusted Professional's February 2011 and May 2011 issues. After the close of the 2010/11 fiscal year, the state Assembly passed the mobility legislation, which was signed by the governor on Aug. 17, 2011.

Another series of articles covered the various implications of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and several articles in both The Trusted Professional and the E-zine focused on a contentious mandate that would have required that any purchase of more than \$600 be reported to the IRS on Form 1099-MISC. The NYSSCPA advocated for the repeal of this measure, and President Barack Obama eventually signed legislation repealing the mandate in April 2011. Coverage of national regulatory changes

in the accounting profession were also among the key items that appeared in The Trusted Professional during the year. Such topics included the Financial Crimes Enforcement Network's proposed new rule that would expand intelligence gathering in the financial sector and proposed amendments to the Bank Secrecy Act (Nov. 1, 2010); a lease accounting standard proposed by the FASB and the IASB as part of the two organizations' convergence project (March 2011); a proposal by the SEC to mandate disclosure of the use of conflict minerals in manufacturing (March 2011); an exemption for CPAs from the Federal Trade Commission's Red Flag Rule (Feb. 1, 2011); a PCAOB proposal that would use a rules-based approach to audit supervision (Feb. 1, 2011); many IRS proposals and the issuance of guidance regarding existing rules; an SEC proposal to register investment advisers (January 2011); a proposed new fee on banks by the Obama administration (April 2011); the tax provisions of the Hiring Incentives to Restore Employment Act (July 15, 2010); proposed legislation to close tax loopholes (July 15, 2010); a FASB proposal to simplify "repo" accounting (January 2011); and a proposed redraft of the AICPA Statement on Auditing Standards 56,

Advertisement for The Trusted Professional magazine. It features the title 'The Trusted Professional' and 'Award winners for 2010-2011'. It also includes a table of contents for the November 2010 issue, listing articles like 'N.Y. Assembly produces conforming mobility bill' and '1099 mandate repealed'.

Advertisement for The Trusted Professional magazine. It features the title 'The Trusted Professional' and 'Nominating Committee Report'. It includes a 'VOTE!' graphic and text about the 2011-2012 NYS CPA Officer and Board of Directors Nominations.

Advertisement for The Trusted Professional magazine. It features the title 'The Trusted Professional' and 'State Board Proposes Quality Review Regulations'. It includes a 'WHAT'S INSIDE' section listing various articles and a 'Career Opportunities in the Accounting Profession' section.

which the NYSSCPA also said in a comment letter didn't take into account inherent weaknesses in the use of analytical procedures as a substantive test during an audit (June 1, 2010).

Other current events affecting members covered in *The Trusted Professional* included the ongoing FASB and IASB accounting standards convergence project and IFRS adoption, New York state's first on-time budget since the 1980s, the ongoing economic crisis and job outlook, a scathing report from the national taxpayer advocate, a court case questioning the constitutionality of the PCAOB, a pact between the PCAOB and British regulators to share information, the governor's State of the State address; tax form updates, a lawsuit against Ernst & Young over certain transactions conducted by Lehman Brothers, CPA members running for office, new ethics CPE guidelines, and the retirement of FASB Chair Robert H. Herz.

On Jan. 5, 2011, the New York State Board of Regents adopted final rules that implement the regulations of the accountancy reform law mandating that a quality review program be instituted in the state. *The Trusted Professional* also extensively covered the progress of regulations that will implement this new mandatory quality review program, as well as the formation of the Quality Review Oversight Committee, which will oversee it.

The Trusted Professional continued its coverage of FAE conferences, as well as the newsmakers and national experts who appear at them, including David M. Walker, the former comptroller general of the United States, at the CFOs, Controllers and Financial Executives Conference on June 17, 2010, and Jack Trachtenberg, New York state's taxpayer rights advocate, at the Tax Planning for Individuals Conference on July 28, 2010. Articles either focused on these newsmakers or a particularly interesting presentation or widely relevant topic, making coverage of conferences valuable to the membership-at-large, not just those in attendance. Newsmakers were also featured—beyond the scope of FAE conferences—with *Trusted Professional* reporters attending important regional events, such as Baruch College's Annual Financial Reporting Conference in May 2011.

The Trusted Professional is also a vehicle for Society leadership to deliver important Society news to members throughout the year. For example, articles were published calling for the formation of the 2010/11 Nominating Committee in July 2010; to announce nominated officers and Board of Directors members for the Society, as well as provide their biographies; to solicit FAE Board of Trustees candidates; and to alert the membership to proposed bylaws changes. An open letter was also published explaining the importance of members' contributions to the NYSSCPA political action committee, CPAPAC. *The Trusted Professional* is also an important vehicle for the Society because ballots to members for officer elections are often mailed with the paper, and it provides information regarding bylaws votes and other actions for which a membership vote is required.

The "CPAs in Industry" section continued to appear monthly in *The Trusted Professional* and offered updates pertaining to Society committee and FAE events focusing on industry members, the Society's outreach to industry members and networking events with other professional organizations. The chair of the NYSSCPA's Industry Outreach Task Force also authored

several columns for *The Trusted Professional* in which he addressed questions and concerns related to the expanded scope of professional practice established by the accounting reform law.

Committee activities resulted in regular features in *The Trusted Professional*. Stories on specific sessions were published, such as one held during an Anti-Money Laundering and Counter Terrorist Financing Committee meeting that featured an FBI special agent. Committee members were also encouraged to submit articles based on their particular areas of expertise. In addition, *The Trusted Professional* publishes the names and photos of all incoming new committee chairs and covers the annual committee chair orientation.

The Society's 15 chapters were also regular contributors to *The Trusted Professional*. The "Chapter Newsletters" section continued to include the "CPA Roundtable" feature, in which CPAs from around the state weigh in with their thoughts on an issue relevant to the profession. The section also featured regular listings of upcoming key chapter events, coverage of events around the state and messages from the chapter presidents.

The 10th Annual Student Section appeared in the Nov. 15, 2010, issue, featuring profiles of successful CPAs and other information intended to encourage students to pursue a career in accounting. The Sept. 15, 2010, issue featured a 12½-page NYSSCPA annual report for the fiscal year ending May 31, 2010.

The Trusted Professional also regularly provided a listing of upcoming FAE seminars and conferences; the announcement of FAE POP (Pay-One-Price) programs and other offers; and information about new and ongoing member benefits such as the CCH TaxAware Center, the 100% Membership program and the Society's Technical Hotline.

Objective 4.5: To maintain The CPA Journal as a prestigious and respected professional journal

The CPA Journal continues to remain—and is broadly recognized as—an outstanding, peer-reviewed publication aimed at practitioners, educators, regulators and

financial professionals. In an effort to maintain this reputation, *The CPA Journal* was present at the Institute of Management Accountants' Annual Conference and the Institute for Fraud Prevention Meeting in June 2010; the Association of Certified Fraud Examiners' Annual Fraud Conference in July 2010; the Maryland Association of CPAs' Educators Conference in January 2011; the NYSSCPA Accounting Educators Conference in March 2011; the KPMG/NYU Tax Forum in April 2011; and Baruch College's 10th Annual Financial Reporting Conference in May 2011. At these events, *The CPA Journal* staff gathered information on topics and solicited manuscripts for future issues. Content from the Baruch Forum will also be presented in an upcoming issue during the 2011/12 fiscal year.

Objective 4.6: To make the NYSSCPA website the most valued source for local, state, national and international news affecting the CPA profession

NYSSCPA.org provided updated information on advocacy and legislative initiatives, including those on mobility and the new mandatory quality review requirements that take effect on Jan. 1, 2012.

The tax resources pages were revamped to offer the latest information on taxation regulations and issues being discussed in the committees within the Society's tax division. The latest NYSSCPA news, e-CPE opportunities and recent major Society webcasts are just a few additional examples of easily accessible information for members and the general public.

Also prominently displayed on the NYSSCPA homepage is CPA.Blog. The blog features multiple daily postings of items interesting and relevant to New York CPAs, as well as to a broader national and international CPA audience. During the past fiscal year, CPA.Blog had more than 560 postings with nearly 620,000 reads. The Society also announced each blog post that appeared on CPA.Blog via the Society Twitter and LinkedIn accounts. The Society's social media accounts and pages experienced significant growth during the 2010/2011 fiscal year, with more than 1,400 followers on the Society main Twitter

other

account, more than 500 "likes" on the Society's Facebook page and more than 1,400 members on LinkedIn.

In March 2011, the Society launched a second Twitter account to promote NYSSCPA members who appeared in the news, including links to the external articles in which the members were mentioned or quotes were cited. The account garnered nearly 200 followers by the end of the 2010/11 fiscal year.

CPA.Blog has continued to liveblog certain events. Liveblogging offers members real-time updates from various offerings, including FAE conferences, breakfast briefings and other Society functions. These liveblogs were promoted in advance via all NYSSCPA's social media platforms. In addition, the NYSSCPA's main Twitter account was used to live-tweet certain events, with live-tweeting often done in tandem with liveblogging in order to provide real-time relevant information to the Society's followers on CPA.Blog and Twitter.

As part of the FAE paperless initiative, work began on a new FAE online catalogue; this has since been completed, allowing FAE to discontinue publishing its print catalogue. Features include quick-search and recommended-events widgets. If a member is logged in, the recommended-events widget will provide courses based on the member's interests that are tied to the Society's database. An enhanced registration page features speaker biographies, and the ability to map and add events to online calendars. The website overall enjoyed another great statistical year, regularly recording between 245,000 and 330,000 visitors, and as many as 1.5 million views or more per month.

These numbers look even better when compared with other related websites. Using the website Alexa, which tracks Web surfing habits, we are able to get an approximate view of how the NYSSCPA.org website compares with some of our competitors and other state CPA societies. Alexa, which is used by advertisers to gauge the value of website links, compiles statistics on Web users who

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voluntarily download a toolbar to their Web browser.

The results for an Alexa search that compiled a rolling three-month average were as follows:

- NYSSCPA.org was the most popular of all 50 state CPA societies by a wide margin, well over half a million slots ahead of the second most popular state society website, which has approximately 24,000 members.

- The NYSSCPA site came in as the 14th most popular accounting association site in the world, just eight slots behind the AICPA and five slots ahead of NASBA.

- The site came in as the 43rd most popular accounting site in the world.

NYSSCPA E-zine

The NYSSCPA E-zine is an electronic newsletter delivered by email every

Thursday to the majority of the Society's membership. The E-zine published 261 articles during the 2010/11 fiscal year focusing on breaking news relevant to the profession, Society advocacy initiatives and comment letters, New York and federal regulatory shifts and discussions, and Society events. News is often first reported in the E-zine, with stories published at a later date in *The Trusted Professional*, as the E-zine provides a more immediate avenue to release information. Some examples of this are the passage of the Senate's mobility bill in June 2010, the passage of the Dodd-Frank Wall Street Consumer Reform and Financial Protection Act in July 2010, the release of proposed quality review regulations by the New York State Education Department in July 2010, and the late passage of the New York state budget in August 2010.

GOAL: RECRUITMENT AND RETENTION

As part of the Strategic Plan, it is the goal of the NYSSCPA to attract and retain highly competent individuals in the profession and the Society.

Objective 5.1: To attract and encourage every CPA, CPA candidate and CPA firm employee to become a Society member

During the 2010/11 fiscal year, the Society successfully recruited and admitted 2,089 new members—an increase of 28 percent over the previous year. The Society was also able to reduce the number of members terminating their membership for nonpayment of dues by 31 percent. This combination of increased recruitment and retention resulted in the first year-to-year increase in members in five fiscal years. The fiscal year began with a membership of 27,672 and ended with a membership of 27,838—a net increase of 166 members.

A new membership category for non-CPAs working in industry was added when the membership approved an amendment to the bylaws in September 2010. The new membership category allows professionals working for or supervised by a CPA in an industry or nonprofit setting to join the NYSSCPA. This parallels the existing associate CPA firm employee category.

The Society actively recruits new members through visits to accounting firms and businesses, as well as through student outreach. Nonmembers who participate in Society and FAE programs are also encouraged to become members through firm and company visits at several firms and at a Brooklyn community center.

To encourage and reward companies and CPA firms that have 100 percent of their CPAs become Society members, the Society has initiated the 100% Membership Program, which recognizes firms, businesses and organizations that demonstrate this commitment to their employees' professional development and to the advancement of the accounting profession. Member firms and businesses that join receive a number of benefits, including a certificate of recognition; permission to use the NYSSCPA 100% Membership Program logo on their company's letterhead, website and other materials; recognition in *The Trusted Professional*; ethics or professional development CPE in the form of free access to two CPE credit hours; concierge-style attention by a single staff member at the NYSSCPA; and single billing for member dues, as well as other benefits.

Other member recruitment initiatives included a "Member-Get-a-Member" campaign and a leadership campaign—designed to encourage members and NYSSCPA leaders to recruit others into the organization—a retention phone drive to encourage members with late dues to renew membership and a reinstatement campaign to bring back terminated members.

Objective 5.2: To reach out to college students to encourage them to pursue accounting as a profession

The NYSSCPA hosted regular information sessions about the CPA profession for college students throughout the state. These meetings are organized by the Society's 15 chapters and are usually referred to as Education Night. Chapter leaders coordinate with local college accounting faculty to invite some of their most promising students to the event, which usually involves a formal program and a meal. There, college students meet and hear from local CPAs representing different sectors of the profession.

FAE also sponsors the Excellence in Accounting scholarship, which is awarded to accounting majors based on their scholastic achievements and economic needs. In the 2010/11 fiscal year, FAE provided 42 scholarships to college-bound students totaling \$108,750. Students are selected via an application process involving a professor at each New York state college that hosts an accounting program that can lead to CPA licensure. Two of the full-time scholarships are a result of fund raising by the Buffalo Chapter. NYSSCPA academic members serve as campus liaisons, encouraging students at qualified accounting programs in New York state to apply for the scholarship and recommending eligible candidates to the committee, while the FAE Scholarship Awards Committee selects the winning students.

College job fairs the NYSSCPA attended included those held at Pace University, Lehman College, Touro College, and the College of Staten Island. The NYSSCPA organized a career symposium in conjunction with the Queens/Brooklyn Chapter that resulted in more than 50 new student members from area colleges. The Westchester Chapter also organized career fairs.

Objective 5.3: To reach out to high school students to encourage them to pursue accounting as a profession

The Career Opportunities in the Accounting Profession (COAP) program is an effort by FAE and the NYSSCPA to educate high school students about the opportunities available in the accounting profession. Launched in 1987, COAP focuses on minority youth and was held at 11 college campuses across New York state throughout June and July 2010. A total of 336 high school juniors completed the program in the 2010/11 fiscal year, and more than 2,460 students had participated in the program by the end of the 2010/11 fiscal year.

The Queens-based St. John's University COAP program featured visits with CPAs at the firms Goldman Sachs, Broadridge Financial Solutions and Deloitte. During the University at Buffalo's program, the 28 participants were required to develop actual business plans, which they presented before a panel of judges. Branding was the focus of a popular session at Hofstra University's program, while the students in Pace University's program got an opportunity to visit the offices of the SEC. Participation in the University at Albany program doubled since 2008, with a total of 37 participants attending the program during the 2010/11 fiscal year. Long Island University's program had the largest turnout, with 46 high school students participating. At SUNY New Paltz's COAP program, students were introduced to the opportunities for CPAs in industry, and Westchester Community College's curriculum covered ethics, forensics and identity theft. SUNY Brockport COAP students learned about resume writing and attended seminars on personal finance, and at SUNY Oswego, students heard from an IRS representative and learned about founding and owning a private business.

By attending courses on campus and interacting with other students who share similar interests, COAP provides an invaluable preview of college life. COAP also encourages students to think beyond college and learn about the business world. Sessions in accounting, financial analysis and computers are all part of the COAP curriculum. All sessions are taught by CPAs and other business professionals who have firsthand experience and knowledge.

In addition, several chapters have members who volunteer to speak with local high school students.

Objective 5.4: To actively engage Society members, nonmembers and the CPA profession on behalf of the Society's chapters

Town Halls

Every year, the NYSSCPA's president, president-elect and executive director visit each chapter for a Town Hall Meeting, where they provide an update to members about the Society's activities and collect feedback from members regarding the Society's priorities, programs and value to members. Each chapter's Town Hall Meeting in the 2010/11 fiscal year included a free, two-hour ethics CPE program. A total of 15 chapter town hall meetings were held statewide, and more than 1,500 participants attended.

Non-CPE events

During the 2010/11 fiscal year, 80 non-CPE programs were hosted by NYSSCPA chapters in order to allow CPA members from around the state the opportunity to network and educate one another. These events included golf outings, young professional networking events, educational events, high school outreach events, young CPAs fairs, student awards nights, a fishing trip, charity events, banker and attorney dinners, the World of Accounting program, a comedy night and a bowl-a-thon, among many other programs.

Chapter conferences

A total of 22 chapter conferences hosted more than 1,900 registrants during the 2010/11 fiscal year and provided CPE credits to those attendees. The 58th Annual Nassau Chapter All-Day Taxation Conference drew more than 250 attendees and was the best-attended chapter conference. The Buffalo, Westchester, Staten Island, Syracuse, Rochester, Mid Hudson, Adirondack and Suffolk chapters also held tax conferences.

Chapter technical sessions

Chapters host CPE technical sessions to allow members to hear from presenters who can speak to the concerns of the members in a chapter's particular geographic region. These sessions allow members with the same interests to meet and discuss relevant issues and also obtain CPE credits.

FAE assists the chapters in creating these sessions by reviewing the content and ensuring that the material meets New York state requirements. Approximately 1,500 registrants attended more than 200 chapter technical CPE sessions throughout the state in the 2010/11 fiscal year. The Adirondack Chapter and the Utica Chapter worked with FAE and invited chapter members to on-site events as well.

In total, chapter events hosted over 4,500 participants.

Objective 5.5: To increase the recruiting effort for the Society's statewide committees

The NYSSCPA worked with statewide committees and committee chairs, chapters, chapter committees and external organizations to draw more members to statewide committees and to the Society in general. Committee benefits were communicated to broader segments of the Society's membership, resulting in a more robust and energized statewide committee structure.

Chapter presidents and statewide committee chairs participated in monthly phone calls designed to encourage the flow of information regarding chapter best practices. The calls were also intended to encourage chapters and statewide committees to interact and assist each other with chapter/statewide conference planning, speaker selection and member participation. Therefore, individual statewide committee chairs were invited to participate in these calls to provide chapter presidents with information about their committees.

This year, the annual Committee Open House was targeted to specific committees and to specific members and nonmembers who might be interested in the practice area of a particular committee. The Government Accounting and Auditing and Apparel



COAP students at SUNY Oswego in Syracuse learn about the accounting profession during the 2010 program.

and Textile committees were featured, as was the Estate Planning Committee. Members of the Tax Division Oversight Committee met the invitees of the Estate Planning Committee's open house at the conclusion of the meeting. There were over 220 new committee applicants, with more than 30 of those becoming new NYSSCPA members.

Committee membership is at an all-time high, with more than 1,600 members serving this year on the NYSSCPA's more than 60 statewide committees. Additionally, nearly all committees were highlighted in the NYSSCPA's weekly E-zine through a banner ad that, when clicked, would lead the reader to a webpage of information about a particular committee.

Promotional pieces were also inserted with conference material to help encourage committee involvement, and Quality Enhancement staff attended certain committee-sponsored conferences.

Objective 5.6: To increase the diversity level of Society membership

COAP, with 11 programs held around the state during the 2010/11 fiscal year, focuses on recruiting minority groups historically underrepresented in the accounting profession. FAE also provides a college scholarship program for COAP graduates, offering selected students \$2,000 per year for up to five years.

The COAP program allows the NYSSCPA and FAE to work with other organizations during the recruiting phase of the programs, including the New York chapters of ASCEND (an organization for Pan-Asian accounting and financial professionals), the National Association of Black Accountants and the Association of Latino Professionals in Finance and Accounting.

Objective 5.7: To offer Society membership benefits that will enable CPAs to be more efficient and effective

The NYSSCPA offers numerous member benefits that include CPA review courses, insurance programs, publication discounts and more. In fiscal year 2010/11, the NYSSCPA entered negotiations with outside vendors in order to provide a range of new benefits for the 2011/12 year, including the CCH TaxAware Center, which provides exclusive, free access—worth up to \$6,000—to daily federal, state and international tax updates; CCH expert analyses of developments in the field; and a multitude of tax journals and tax-related publications and reference materials on a single electronic platform. A custom “tracker news” option also allows members to follow topics of interest and receive daily updates via email or an RSS reader. The NYSSCPA also negotiated discounts on CPE offered through a new CCH Learning Center and auto and homeowners insurance. Many of these programs also provide the NYSSCPA with a volume-based royalty. New wireless benefits, energy benefits and vacation benefits were also added. A full list of NYSSCPA member benefits can be found on the Society's website at www.nysscpa.org/membership/benefits.htm.

Objective 5.8: To upgrade and maintain an efficient and effective association management system to match the needs of the Society's stakeholders and customers

The NYSSCPA's new association management system, Aptify, went live on Nov. 15, 2010. It was a major milestone in implementing the latest technology in member service. There were and are some continuing obstacles during the transition from the legacy AM4 system to the new Aptify system. In the upcoming year, the Society will continue to address them.

2010–2011 FAE CONFERENCES

- Anti-Fraud/Anti-Money Laundering
- Accounting and Auditing in the Non-Public (Non-Issuer) Environment
- CFOs, Controllers, and Financial Executives
- IRS Practice and Procedures
- Strategic Planning for Your High-Net-Worth Clients
- Estate Planning
- Closely Held and Flow-Through Entities
- Hedge Funds and Alternative Investments
- Tax Planning for Individuals
- Ethics
- Construction Contractors Accounting, Consulting, and Taxation
- Healthcare
- SEC
- IFRS
- Investment Companies
- Banking
- Auditing
- Personal Financial Planning
- Restaurant & Hospitality Breakfast
- Public Schools Accounting and Auditing
- Annual Tax/Plenary
- Exempt Organizations
- New York State Taxation
- Sid Kess's Post-Election Tax Planning
- Practice Management
- Partnership
- 33rd Annual Nonprofit (Rochester)
- 33rd Annual Nonprofit (New York City)
- Real Estate
- International Taxation
- Taxation of Financial Instruments and Transactions
- Tri-State Taxation
- Bankruptcy and Restructuring Half-Day
- Apparel & Textile Breakfast
- Family Office
- Government Accounting and Auditing
- Broker/Dealer
- FAE/BVR Business Valuation
- Entertainment and Sports Half-Day