

# The National Conference of CPA Practitioners

NASSAU/SUFFOLK CHAPTER



Volume 4, Issue 5, JUNE 2007

## HIGHLIGHTS

PRESIDENT'S MESSAGE

SELL WITHOUT SELLING

EDITOR'S COLUMN

MEETING SCHEDULE

GOOD & WELFARE

NYSBPA MOVES TO EXPAND  
SCOPE OF CANDIDATE  
EXPERIENCE

LOCKING DOWN QUICKBOOKS  
CLOSEOUTS

WHAT'S BETTER,  
ACCOUNTING RULES  
OR "FEEL"?

DON'T GIVE AWAY  
YOUR PRACTICE!

ADS-

PLEASE SUPPORT OUR  
ADVERTISERS!

\*\*\*\*\*

2007 LONG ISLAND TAX  
PRACTITIONERS SYMPOSIUM  
WILL BE HELD ON  
NOVEMBER 14, 15 & 16, 2007  
AT THE  
CREST HOLLOW COUNTRY CLUB

## JUNE MEETINGS

### THURSDAY, JUNE 7, 2007

Topic: **IRS UPDATE**  
Speaker: **PANEL from the IRS**  
Location: **Holiday Inn @ Plainview**  
Credits: **2 CPE/TAX**  
Time: **Board Meeting 4:00 PM**  
**Dinner/Networking 5:30 - 7:00 PM**  
**Program 7:00 - 9:00 PM**  
Cost: **Early Bird Fee till Friday, June 1.....\$50.00**  
**Regular Fee after June 1.....\$60.00**

*Pro-Capital  
is the Sponsor*

### THURSDAY, JUNE 14, 2007

Topic: **DRESSING FOR SUCCESS &  
OTHER BUSINESS ENHANCEMENTS**  
Moderators: **Kenneth Hauptman, CPA, Eliot Lebenhart, CPA**  
Guest Speaker: **Corey Stein of Merrill Lynch**  
Location: **On Parade Diner, Woodbury**  
Credits: **2 CPE/MAP**  
Time: **Registration 7:30 AM**  
**Program 8:00 AM - 10:00 AM**  
Cost: **Early Bird Fee Till Friday, June 8 .....\$20.00**  
**After Friday, June 8 .....\$25.00**

### THURSDAY, JUNE 21, 2007

Topic: **ACCOUNTING & AUDITING SEMINAR**  
Speaker: **Paul Sanchez, CPA**  
Location: **Holiday Inn @ Plainview**  
Credits: **8 CPE/A&A**  
Time: **Registration: 7:30 AM**  
**Program: 8:00 AM - 5:00 PM**  
Cost: Members: **Early Bird Fee Till Friday, June 15.....\$245.**  
Non-Members: **Early Bird Fee Till Friday, June 15.....\$300.**  
**After Friday, June 15th the price goes up \$25.00 each**

Register on line at:

<http://www.ns-nccpap.org/register-online/index.html>



## PRESIDENT'S MESSAGE

**W**elcome back from the abyss.

Now that tax season is over (ha, ha), we can all dive into the coming season at NCCPAP. We have some exciting seminars coming up.

Our dinner meeting on June 7th is with the IRS. This is always our best attended meeting. We can talk directly to IRS representatives about all our problems from the past tax season as well as recommendations for changes we'd like to see. We'll also be told about future issues that the IRS will be looking at.

The MAP meeting on June 14th should be an interesting presentation on how to put our best professional foot forward with our clients and the public.

Lastly, don't forget our all day "Accounting & Auditing Seminar" at the Holiday Inn in Plainview on June 21st. A must attend for all.

Look inside this issue for more seminars. We have a lot going on over the summer months, including a half day Ethics seminar on August 21st. This is a required course by the state.

Don't forget the August 31st deadline for CPE.

Enjoy the warm weather and relax a little.

**Barry Zalk  
President**

## SELL WITHOUT SELLING

### (PART 1)

Adapted and edited from an article by Rick Solomon, CPA,  
in Ababus Magazine

**T**he very thought of selling strikes fear in the heart of many CPAs....a fear often based upon mistaken beliefs. If we believe that selling means being pushy, manipulative, or unprofessional, we naturally resist it.

The truth is, nothing sells better than just being yourself. Learning how to sell this way can have **HUGE IMPACT ON YOUR PRACTICE**. Sales communication skills differentiate your firm, communicate your value, and motivate clients to engage.

When selecting a CPA, a client only has their perception of that CPA's value to decide if they will be retained, and what they are worth. Unfortunately, because most CPAs do not understand how to create a high perception of value or how to meaningfully differentiate themselves, many great opportunities are lost.

The mistake made by most CPAs at sales meetings is telling clients great things about their firm. Since everyone does this, for the most part it's ineffective. Effectively communicating your value and differentiating your firm requires a different approach.

Value, like beauty, is in the eyes of the beholder. Basic accounting and tax services are necessary and valuable. However, such services are often perceived as commodities, which limits their perceived value since all firms can provide them. From the client's perspective, your value is significantly greater when they feel you understand their business, their goals, and their problems.

When you accomplish this, the client perceives that you care and that you're there to help them. This high perception is a significant differentiator and becomes the basis for higher fees.

**In next month's issue of the Newsletter, we will continue Rick Solomon's article which will explain the process of selling your services.**

Rick can be reached at [rick.solomon@ranone.com](mailto:rick.solomon@ranone.com)

### **CHAPTER POLICY**

THE FEE FOR EARLY BIRD REGISTRATIONS IS:

\$50.00 WITH \*PRE-REGISTRATION AND \$60.00 REGULAR REGISTRATION, OR AT THE DOOR REGISTRATION.

\*PRE-REGISTRATION MEANS: A COMPLETED REGISTRATION FORM WITH PAYMENT AND POST MARKED, FAXES OR E-MAILED TO THE N/S CHAPTER OFFICE THE FRIDAY PROCEEDING THE CHAPTER MEETING WHICH YOU ARE PLANNING TO ATTEND.

A PRE-PAID REGISTRANT WHO CANNOT ATTEND THE CHAPTER MEETING WILL BE ISSUED A CREDIT TO BE USED BY THE REGISTRANT ONLY FOR A FUTURE MEETING (OF EQUAL VALUE ) HELD WITHIN ONE YEAR OF THE MISSED MEETING. CANCELTION NOTICE MUST BE GIVEN TO N/S NCCPAP CHAPTER OFFICE BY THE END OF THE CHAPTER MEETING DAY.

Refer to back cover for Cancellation and Refund Policy for ALL Chapter Meeting and Seminars.

**EDITOR'S COLUMN**

By Edwin J. Kliegman, CPA



Whenever I meet a CPA whose name or face is unfamiliar, I ask, "are you a member of NCCPAP?"

Invariably, the response is a blank stare, followed by, "HUH?...what's NCCPAP?"

I don't know why, but I'm always amazed. How is it possible that here on Long Island, where NCCPAP has been around for 28 years, that there are CPAs who have no idea what NCCPAP is.

Our seminars have always been top notch.... the Tax Symposiums are sensational....and have attracted almost 600 participants.... our efforts with the IRS and New York State Tax agencies on behalf of our members has been tremendously helpful to our membership.... the networking and camaraderie are out of this world.

So why is NCCPAP virtually unknown to the CPA community?



If you're interested in my opinion, read on.

First, I don't believe that we really have a solid idea of what NCCPAP is, or what we do. To find out, we have to get on with the "branding" analysis that our Chapter Board discussed and approved last October.

Secondly, we don't "blow our own horn" enough. We have to publicize what we do. We're professionals....CPAs....we are not professional publicists. Yes, you've heard the old stories that NCCPAP has "spent thousands of dollars on PR and the results have been nil". I won't glorify the past mistakes in this area. But, if we messed up in the past, we should look for new and better ways to get the message out to the profession....and the public.

It will take two things to properly get the message out....TIME and MONEY. TIME is required from our officers, Board members and committee chairs to provide the details of what we do to a professional publicist, and MONEY to pay that professional publicist to do a proper job....that includes re-writing, editing, placement and all that goes into a consistent, ongoing public relations campaign.

Third, we have to get our National Board and its "Issues Committee" to work on some of the issues that are currently facing the CPA profession. Peer review, mobility of practice, SOX and SEC regulations that affect small practices are among today's pressing subjects of concern. Instead of spending time listening to what the AICPA deigns to pass on, the Committee might devote itself to these matters and the effect on NCCPAP members.

The SEC, Congress and most state legislative bodies believe that the "profession" is the Big 4 and the AICPA. You and I have no standing as part of the "profession", as far as they are concerned.

***It's time we did something about it!***

**Do you agree? Do you disagree?  
Do you have an opinion? Do you care?  
Let me hear from you!!!!  
e-mail:ejkcpa@yahoo.com**

*This column is the opinion of the Author and not necessarily the opinion of the Officers, Board and/or Members of the N/S NCCPAP.*

**SAVE THE DATE  
November 14, 15 & 16, 2007  
2007 Long Island  
Tax Practitioner Symposium**



**NASSAU/SUFFOLK CHAPTER  
NATIONAL CONFERENCE OF CPA PRACTITIONERS (NCCPAP)  
MEETING SCHEDULE 2007**

EXCEPT AS NOTED, ALL CHAPTER MEETINGS WILL BE HELD  
AT THE HOLIDAY INN AT PLAINVIEW, EXIT 46 OFF THE LIE

Holiday Inn @ Plainview  
215 Sunnyside Blvd  
Plainview, NY 11803

On Parade Diner  
7980 Jericho Turnpike  
Woodbury, NY 11797

Thurs., June 7, 2007	<b>IRS UPDATE</b>	2 CPE/TAX
Thurs., June 14, 2007	<b>DRESSING FOR SUCCESS &amp; OTHER BUSINESS ENHANCEMENTS</b> (On Parade Diner: Program: 8 - 10 AM)	2 CPE/MAP
Thurs., June 21, 2007	<b>ACCOUNTING &amp; AUDITING SEMINAR - All Day</b>	8 CPE/A&A
Thurs., July 12, 2007	<b>PRACTICAL RETIREMENT PLANS FOR SMALL FIRMS - SIMPLE TO COMPLEX</b>	2 CPE/TAX
Thurs., Aug. 2, 2007	<b>WORKERS' COMP UPDATE</b>	2 CPE/TAX
Thurs., Aug. 21, 2007	<b>ETHICS - 1/2 DAY BREAKFAST SEMINAR</b>	4 CPE/ETHICS
Thurs., Sept. 6, 2007	<b>NYS UPDATE</b>	2 CPE/TAX
Thurs., Oct. 11, 2007	<b>COMPILATION AND REVIEW</b>	2 CPE/TAX
November 2007	<b>NO CHAPTER MEETING</b>	
November 14, 15 & 16, 2007	<b>2007 LONG ISLAND TAX PRACTITIONER SYMPOSIUM</b> (Crest Hollow Country Club)	
THURS., DEC. 6, 2007	<b>RETIREMENT PLANNING</b>	2 CPE/TAX

**GOOD & WELFARE COMMITTEE**

The Good & Welfare Committee exists to promote Good & Welfare and express congratulations or sympathy to a member, a family member of a member or a friend of the chapter, as appropriate.

**Our condolences go out to:**

**Martin Cohen on the loss of his mother Gertrude Cohen.  
Howard Rosenthal on the loss of his mother.**

Please be sure to contact:  
Nathan Eichner at (631) 742-4400 or the Chapter Office when an event occurs.

**IF YOU FIND A MISTAKE IN THIS PUBLICATION**

Please consider that they are there for a purpose.  
We publish something for everyone  
And some people are always

***LOOKING FOR MISTAKES***

**NYSBPA MOVES TO EXPAND SCOPE OF CANDIDATE EXPERIENCE**

At the April 26 meeting of the New York State Board for Public Accountancy, the Board voted eight to four to pass a pair of proposals that would begin the process of altering the experience requirements for first-time CPA licensure in New York State.

The first proposal seeks to expand the scope of acceptable professional services experience to include “accounting, attest, compilation, management advisory, financial advisory, consulting or tax in the practice of public accountancy.” The current experience requirements state that a candidate for licensure should have “diversified experience involving the application of generally accepted accounting principles and the application of generally accepted auditing standards in the practice of public accountancy.”

The proposal seeks to update the existing experience requirements to match the current range of services that CPAs provide to the public. These other services include things like business valuation, personal financial planning, tax planning, forensic services and other areas of consultation.

The second proposal seeks to provide a definition of unprofessional conduct for CPAs licensed in New York State. The proposed definition seeks to prevent CPAs without the requisite audit experience from conducting audit engagements. In other words, the proposal would classify as unprofessional conduct an audit supervised or signed by a CPA who primarily had experience in business valuation, tax planning or other practice areas outside of audit and attest services.

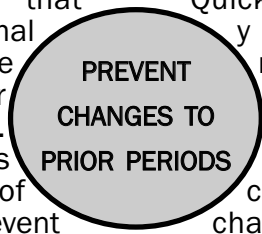
In addition to approving the proposals, the Board agreed that it would draft an explanatory memorandum to clarify key concepts for use in crafting the final, official language. The Board would seek input on the wording of the final proposal from the New York State Society of CPAs and the accountant’s Coalition before submitting it for consideration to the New York State Education Department.

**EDITOR’S NOTE:**  
*How come they don’t seek input from NCCPAP?*

**LOCKING DOWN QUICKBOOKS CLOSEOUTS**

One of the most common complaints we hear about QuickBooks is that users can easily make changes to prior years. This results in serious problems when you do the following year’s tax return.

It is true that QuickBooks does not do a formal year-end closeout in the manner that many other accounting packages do. However, QuickBooks has an excellent system of controls available to prevent changes to prior periods. Unfortunately, many accountants are not aware of these features.



The first step is to set a password-protected closing date. This is done with the Edit – Preferences – Accounting – Company Preferences dialogue. This feature has been a part of QuickBooks for many years. Unfortunately, setting a password-protected closing date is not all that is needed. If you have not set up users, then anyone who uses that particular QuickBooks install is the administrator. When an administrator tries to change a transaction from a prior year, they are asked for the password. If they don’t know the password, they can simply go to the accounting preferences and change it. It’s pretty easy to figure out how to do this, even if you are a new user. The help screen that appears when you type in “closing date password,” gives you step-by-step instructions on how to change the closing-date password.

To effectively prevent prior year posting, you must first set up multiple user accounts with different access rights. Without administrative rights, a user can not reset the closing-date password.

Setting up users is the first and most important step in establishing internal control in a QuickBooks environment. This should be done even for businesses where there is only one computer and one person doing all the QuickBooks input. Having separate users allows you to determine who did what.

More important, for very small businesses, it allows you to restrict which employees can complete which tasks.

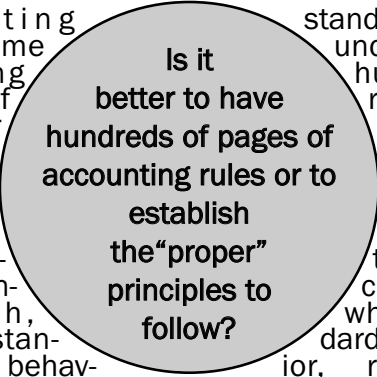
**WHAT'S BETTER, ACCOUNTING RULES OR "FEEL" ?**

Adapted and edited from an article by David Reilly in the Wall Street Journal

Earlier this year, accounting rule makers gave companies new standards for valuing some investments.

Under the new standards, companies could dump money losing investments without taking a hit to profits, as would normally be the case, because the maneuver wouldn't violate the letter of the new rule.

Accounting standard setters have come under fire for producing hundreds of pages of rules that cover every conceivable situation a company could face. The alternative is to adopt principles based on broad standards to govern behavior, relying on companies to reasonably apply the rules to their own situations.



Reading of the new rules show that when standards aren't precise, they can leave too much room for interpretation. The flip side to that is also true. When there's room for interpretation, companies get nervous and ask for rules.

The push for principles got a boost, recently, when the SEC said it may soon consider allowing U. S companies to begin choosing between two sets of accounting rules.

Even those who support a more principles based approach acknowledge gimmickry is often behind the proliferation of rules. Detailed rules often spring up because companies ask regulators for detailed interpretations, even when guidance is based on a pretty clear cut principle.

A prime example was an accounting, standard dealing with derivatives. The standards objectives are laid out in a few paragraphs. The problem lies in the 800 plus pages of accompanying guidance.

Backers of principles based accounting argue that a principles based system would make it easier and cheaper for them to comply with regulations while at the same time, limiting fraud.

**DO YOU HAVE AN OPINION?  
WHAT'S BETTER FOR YOU....  
PRINCIPLES OR RULES?**

**DON'T GIVE AWAY YOUR PRACTICE!**

CPAs have believed, for a long time, that the only way to sell a practice was for the seller to guarantee the results over several years' time.

The long-standing myth is that practices must be sold for 20% down and 20% of "collections" over the next four years.

Recent accounting practice sales have buried that old-century thinking. Many practices were sold without seller guarantees. In addition, almost 50% of last year sales are reported to be all-cash at closing!

If you are interested in buying or selling a practice, it probably would be prudent to contact one of the many qualified professionals in the business (after you let your NCCPAP colleagues know of your intentions).



<u>Officers</u>		
<u>President</u>	Barry Zalk	(631) 421-4646
<u>Ex. Vice Pres</u>	Donald Ingram	(516) 681-0201
<u>Vice Pres</u>	David Rothfeld	(516) 433-2128
<u>Secretary</u>	Eliot Lebenhart	(516) 932-3055
<u>Treasurer</u>	Bruce Berkowitz	(516) 678-8300
<u>Committees</u>		
<u>Educational</u>	Robert Barnett	(516) 931-8100
<u>M.A.P.</u>	Eliot Lebenhart	(516) 932-3055
	Kenneth Hauptman	(516) 681-8181
<u>Newsletter</u>	Ed Kliegman	(516) 541-1145
<u>Sponsor Coordinator</u>	Scott Sanders	(516) 938-5219
<u>2007 LI TAX SYMPOSIUM</u>		
	Robert Goldfarb	(516) 364-0100
	Harold Ogulnick	(516) 944-7266

# PER DIEM ACCOUNTANTS & TAX PREPARERS

## PER DIEM ASSOCIATES

**Rich Siegel, CPA – Pres.**

NCCPAP Member

**(516) 795-3200**

[perdiem98@aol.com](mailto:perdiem98@aol.com)

**Reasonable referral fees**

**No time commitments**

**Outsourcing services also available**

**“SERVING LONG ISLAND’ CPA FIRMS FOR OVER TEN YEARS”**

The National Conference of CPA Practitioners



TM

N/S NCCPAP
22 Jericho Turnpike
Suite 110
Mineola, New York 11501
Tel. (516)997-9500
Fax (516)997-5155
info@ns-nccpap.org

PLEASE RUSH
DATED MATERIAL

NON-PROFIT ORG
U.S. POSTAGE
PAID
MASSAPEQUA, NY
PERMIT #144

THE
ONLY
NATIONAL
ORGANIZATION
REPRESENTING
ONLY
PRACTICING
CPAs

If you received more than one copy
PLEASE pass this onto a colleague!

PAYMENT AUTHORIZATION & REGISTRATION FORM

NCCPAP MEMBER ID # \_\_\_\_\_ LICENSE # \_\_\_\_\_
Name \_\_\_\_\_ PAYMENT FOR: \_\_\_\_\_
Firm Name \_\_\_\_\_ CHAPTER MEETING \_\_\_\_\_
SEMINAR DATE \_\_\_\_\_
Address \_\_\_\_\_ OTHER \_\_\_\_\_
City \_\_\_\_\_ St \_\_\_\_\_ Zip \_\_\_\_\_
Phone \_\_\_\_\_ Fax \_\_\_\_\_
E mail \_\_\_\_\_

PRE-REGISTER ON LINE AT

http://www.ns-nccpap.org/register-online/index.html

METHOD OF PAYMENT: CIRCLE ONE: CHECK MC VISA AMEX

Cardholder's Name: \_\_\_\_\_

(AS IT APPEARS ON CREDIT CARD)

Billing Address \_\_\_\_\_

City \_\_\_\_\_ St \_\_\_\_\_ ZIP \_\_\_\_\_

Credit Card # \_\_\_\_\_ Exp. Date \_\_\_\_\_

SIGNATURE \_\_\_\_\_ Total Am't Paid \_\_\_\_\_

MAIL TO:

N/S NCCPAP, 22 JERICHO TURNPIKE - STE. 110, Mineola, NY 11501

FAX TO: (516) 997-5155 EMAIL TO: egelbien@ns-nccpap.org

Chapter speakers are not affiliated with any exhibitors
and do not endorse their products and/or services.

CHAPTER MEETING
CANCELLATION POLICY

A PRE-PAID REGISTRANT THAT CANNOT
ATTEND WILL BE ISSUED A CREDIT TO BE
USED BY THE REGISTRANT FOR A FUTURE
MEETING (OF EQUAL VALUE) HELD WITHIN
ONE YEAR OF THE MISSED MEETING.
CANCELATION NOTICE MUST BE GIVEN TO
N/S NCCPAP CHAPTER OFFICE BY THE END
OF THE CHAPTER MEETING DAY.

SEMINAR REFUND POLICY

REFUNDS WILL BE ISSUED FOR SEMINARS
PROVIDED NOTICE OF CANCELLATION IS
RECEIVED THREE (3) BUSINESS DAYS
PRIOR TO PROGRAM DATE. A \$25.00
PROCESSING FEE WILL BE CHARGED FOR
2 CPE & 4 CPE CREDITS SEMINARS.
\$50.00 FEE FOR 8 CPE CREDIT SEMINARS.