

Current Accounts

The Georgia Society of CPAs

MEET YOUR NEW GSCPA CHAIR: TOM HARRISON, CPA

**Where are We Now?
How CPA Firms are Operating
After More Than a Year of
Pandemic Life**

**Quality: The Foundation
of a Firm's Accounting
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In This Issue

- 8

**MEET YOUR NEW CHAIR:
TOM HARRISON, CPA**
Natalie Rooney
- 12

**WHERE ARE WE NOW?
HOW CPA FIRMS ARE OPERATING AFTER
MORE THAN A YEAR OF PANDEMIC LIFE**
Natalie Rooney
- 5

CEO MESSAGE
Boyd Search, CAE
- 7

CHAIR MESSAGE
G. Thomas Harrison, CPA
- 14

**TAXATION
TAX UPDATE CONSIDERATIONS
ON RECENTLY ENACTED
FEDERAL LEGISLATION**
Meghan E. Greskovich, JD, MBA
- 18

**A&A
QUALITY: THE FOUNDATION
OF A FIRM'S ACCOUNTING AND
AUDITING PRACTICE**
Kathryn M. Fletcher, CPA
- 20

**INDUSTRY
REPORT SHOWS SMALL BUSINESS
ON ROAD TO RECOVERY**
Isaac M. O'Bannon
- 22

**TECHNOLOGY
WHAT TECHNOLOGIES WORK
FOR CPA FIRMS?**
Randy Johnston
- 24

GSCPA MEMBER AWARDS
- 29

**2021 GEORGIA ACCOUNTING
FOOD FIGHT**
- 30

GSCPA WELCOMES NEW BOARD
- 32

**CPE SPOTLIGHT:
2021 VIRTUAL SOUTHEASTERN
ACCOUNTING SHOW**
- 34

**CPE SPOTLIGHT:
IN-PERSON UPDATES
AROUND THE STATE**
- 36

IN MEMORIAM
- 38

CLASSIFIEDS
- 40

CURRENT ACCOUNTS SELF-STUDY
- 42

**MEMBER VIEW
HOW THE PANDEMIC AFFECTED
HIGHER EDUCATION: FROM
SURVIVING TO THRIVING**
Paula Y. Mooney, CPA, CFE, CGMA

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Listen Carefully and Learn Constantly

"And so with the sunshine and the great bursts of leaves growing on the trees, just as things grow in fast movies, I had that familiar conviction that life was beginning over again with the summer." – F. Scott Fitzgerald.

Life is beginning again, indeed. This summer marks a new start in many ways. The world is opening up after more than a year of lockdowns and quarantines. We are emerging from behind our computers and devices to engage with each other in person again, just in time to enjoy fun summer activities.

For GSCPA, summer marks a brand-new year, fiscal and governance, and with it a new Board of Directors, committee and task force chairs, and updated goals for the coming year.

As I reflect on the previous year, it was unquestionably challenging and unusual. We continually had to pivot as the world changed and restrictions were put in place and revised. We operated business in a virtual environment, developing new ways to serve the membership and provide quality education and communication from the safety of our homes. Throughout it all, we banded together and channeled positive energy into creating successes to ensure our CPAs always had what they needed to keep their business moving forward.

As we kick off the new year with fresh eyes, we can reexamine the strategies and tactics of the past year, examine growth opportunities and embrace new perspectives. We are eager to resume in-person events in a few months and explore new ideas together in the same room.

There's no better way to generate innovative ideas than with a brand-new Board of Directors. This annual season of renewal begins with the yearly passing of the gavel, which occurs at the Annual Convention, a representation of moving on, the outgoing chair passing his/her knowledge on to the incoming chair. And our incoming Board brings a fresh outlook, continuing the work of moving GSCPA, and the profession, forward. Member involvement and engagement are high on the list of priorities, as are continued advocacy and meaningful communication.

While we will face many challenges ahead, there is no doubt our GSCPA members will rise to the challenge through the power of association. The Society and its members have survived and thrived throughout the pandemic because we are a resilient group, and we overcame the unexpected. We succeeded because we put effort into everything we did. We listened carefully and learned constantly.

As we move forward in our new year and attempt old routines while building new ones for the work environment of today's responsibilities, I encourage you to understand the challenges and opportunities of tomorrow. By working together, we can continue to build on the foundation of the CPA profession and develop it for the next generation of CPAs.

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New Season, New Opportunities

The sun is shining, the air is warm, and summer is in full swing. Summertime also marks a new year for The Georgia Society of CPAs. As we kick off a new year, I would be remiss not to touch on the previous year and the many challenges the pandemic presented. We are still managing the best way to reintroduce in-person events and meetings safely. This year, there will be more occasions to begin getting back to face-to-face CPE events and committee and chapter meetings as restrictions lift.

As I begin my year as GSCPA chair, there are many opportunities to consider. New regulations and compliance laws and the rapid rate of technology have changed the CPA profession's pace. The shift to remote offices in 2020 is still having lasting effects on how businesses operate. Flexibility became the key term and way of being for 2020 and now 2021.

I'm very interested in our pipeline initiatives to bring new people into our profession and encourage the next generation of CPAs to take advantage of their profession's vibrant opportunities. The need for our services has never been higher. As our clients' lives and businesses are in flux, the need for trusted advice has never been greater. I want accounting students and young professionals to see the opportunities in front of them.

With the CPA Evolution initiative, future CPAs will have more diverse options regarding how they structure their career path. It will help broaden the scope of how the CPA profession is viewed and allow people to draw on their strengths in a variety of disciplines.

In my firm, we are very encouraged to have several staff studying and sitting for the CPA exam while managing full-time client responsibilities. I recently was on a road trip with one of them, where they got to see me take calls and prepare for meetings on exciting and diverse topics. Our conversations between each of these events encourage me that our future as a profession is bright, as I answered their questions and shared their enthusiasm.

I am honored to serve as the chair of The Georgia Society of CPAs this year. It will be an energizing year for GSCPA, as well as the profession. You can feel confident that the Society is continually working for you and your profession.

TOM HARRISON, CPA

Meet Your New Chair: Tom Harrison, CPA

by **NATALIE ROONEY**

As a college student, Tom Harrison thought he knew what he didn't want to do: work for a public accounting firm. But life is occasionally ironic. Harrison, the newest GSCPA chair and principal at Lanigan & Associates PC, has spent his entire career in public accounting, starting in Tallahassee, Fla., then Thomasville, Ga., where generations of his family have lived and worked.

Harrison grew up crossing the nearby Georgia Florida border constantly. His father's family is from southern Georgia and his mother's family from northern Florida. For college, he headed to Tallahassee to attend Florida State University (FSU), double majoring in finance and accounting.

After interning with an insurance company and then interviewing with banks, brokerages and insurance companies in Atlanta, Birmingham, Charlotte and Jacksonville, Harrison realized he wanted to return to Thomasville, accepting a job offer from Lanigan.

Harrison began his career on the audit side of the firm, but now he considers himself a tax practitioner and planner. "That's the great thing about working at a small firm. You're exposed to all different things," he says. "You can choose your path as you grow and mature, see what makes the most sense to you and discover what you enjoy."

He adds, "I get to be a financial statement preparer and a user, but I'm also much more

of an advisor, helping clients complete transactions like buying or selling their businesses and all of the planning that goes along with complicated transactions. I really enjoy that, and I get to do it in South Georgia, where generations of my family have lived."

A PEOPLE BUSINESS

Harrison was first introduced to the accounting profession by his father, who was the comptroller at FSU. "I jokingly say that I knew I didn't want to be in governmental accounting, but I also knew accounting offered a great, stable career opportunity. I was curious to explore my own path with finance."

Accounting is a people business, and that's what Harrison says he loves about the profession. "It's a misconception that accounting isn't about people," he says. "I work with my staff, my clients and their staff. The math and accounting are just the tools I use to do that work."

New Chair continued on page 10



playing favorites

HOBBIES

Tennis at least two times a week, Cross Fit, and hiking



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CURRENTLY WATCHING

Rake, on Netflix, about an Australian attorney, defense attorney who gets into mischief. We're into the second of five seasons. Holly and I will watch one episode and then look at the clock and ask if we have time for one more.



We also enjoy watching Spanish shows or other shows with subtitles. We also like Grand Hotel, which takes place between WWI and WWII.

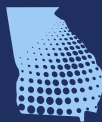


PODCASTS

Jocko Willink, a retired Navy SEAL who has a podcast on leadership. I'm always interested in learning more and becoming better at leadership. Also, podcasts by Jordan Peterson. Both focus on human nature and leadership.

VACATION SPOT

We like variety, so we try to visit as many different places as possible; we enjoy going to the Pisgah National Forest in North Carolina, and we try to go at least annually.



FAVORITE GSCPA EVENT

Annual Convention

But what Harrison really enjoys is when clients call to ask his opinion. "They need help with something that may not be a big deal to me, but it's a very big deal to them," he explains. "I realized early on that I like helping clients."

He has also found great satisfaction in mentoring young accounting professionals looking to find their way in their careers. "We have a great team, and I want them to enjoy the successes this profession can provide," Harrison says.

GETTING INVOLVED

Harrison joined GSCPA early in his career and quickly got involved with his local chapter. "I was curious what it was all about," he says. "CPAs, especially tax practitioners, spend so much time talking to each other on the phone. I thought it would be good to get to know people in person." He began attending networking events at both the state and local levels. "To me, that is a big part of the value of involvement in the Society."

He worked his way up the ladder becoming chapter president, attending statewide council meetings and CPE conferences. Through networking and connections he made, he wound up on the GSCPA Board of Directors. Over the past eight years, he has served as treasurer, chair-elect and now begins his year as GSCPA chair.

During his years of GSCPA involvement, Harrison says he has learned a lot is going on at the national level that many CPAs aren't aware of. He is particularly excited about the CPA Evolution initiative and the new paths it offers to become a CPA and changes to the CPA Exam.

The CPA Evolution initiative is transforming the CPA licensure model to recognize the rapidly changing skills and competencies the practice of accounting requires today and will require in the future. It is a joint effort of the National Association of State Boards of Accountancy (NASBA) and the American Institute of Certified Public Accountants (AICPA).

The AICPA Governing Council and the NASBA Board of Directors have both voted to advance the CPA Evolution initiative. NASBA and the AICPA are moving forward with implementing a new core + discipline CPA licensure model and will launch a new Uniform CPA Exam in 2024. (Source: evolutionofacpa.org)

"CPAs do a lot of different things, but we're all CPAs," Harrison says. "The CPA Exam is changing so that everyone will take a core part of the exam, and then candidates will take a more specialized single portion. It's similar to what engineers do, but it supports the idea that people who don't think of themselves as accountants when they're undergraduates can become a CPA even if they've majored in computer science."

Harrison says Lanigan has experienced this first-hand through growth in the technology space. "We're having internal discussions and examining how we can participate in these changes. When you find out someone is a CPA, you always ask if they're in audit or tax, but CPAs do different things, which seems like an elegant solution.

We have this core shared value but are now acknowledging that what we do can be very, very specialized."

Diversity and inclusion initiatives put in place by past GSCPA chairs are something Harrison would also like to continue to move forward this year. The Society recently received a grant from a Big 4 firm to help with those efforts. "I'd like to build on what past chairs have done and have our Diversity and Inclusion Committee determine how we can use those funds to make our profession more inclusive and diverse," he says.

And nothing would make Harrison happier than to mix and mingle with GSCPA members in person again. "I'm excited that we can start to have in-person events," he says. "The Society did a fantastic job pivoting to virtual operations. We were well-positioned with our technology investment to provide virtual services. We were ahead of the curve."

FAMILY TIME: ENJOYING THE GREAT OUTDOORS

Harrison, his wife, Holly, and their sons, Thomas and Alden, are big fans of getting outside and off the grid. Favorite trips have included hiking in Zion National Park, fishing in the flats around the marshes in the Big Bend area in North Florida and hanging out at the beach. They're also a tennis family. Both Harrison boys played throughout high school, and Thomas, a rising college senior, plays at the University of The South in Sewanee, Tennessee. Harrison says it has been a "joy of his life" to coach their high school tennis teams, where they have been past state champions individually and with their team. As Alden moves on to college next year at the University of Georgia, focusing on academics, there was a fitting end to Harrison's season; he was named region coach of the year.

Harrison's firm bio refers to him as a "gentleman farmer," which makes him chuckle, but that moniker is pretty fitting when you hear him talk about the family's horses, chickens, and bees. "It's a hobby for me. It's probably less of a hobby for Holly," he laughs. "But I fancy myself as the 1940s Popular Mechanics ideal. I love owning the tools and doing small projects."

The family trips, taking time to coach his sons and enjoying home projects are ways Harrison has found to balance an accounting career with life at home. "There is often a quality-of-life perception about our profession," he says. "True professionals can set their schedules to do the things that are important to them. I've never missed my kids' activities and ball games. I've tried to model that for my staff. What I'd hate to have happened is for a staff member to say, 'That partner works all weekend. Why would I ever want to be a partner?' That's not what we want to model for the future of our profession. In today's world, when you can do things virtually and flexibly, we as professionals can enjoy a great quality of life and have a successful career."

NATALIE ROONEY is a freelance writer from Colorado but has been writing for CPA societies for 15 years. She can be reached at nrooney@centurytel.net.



giving back

Tom is past chairman of Thomasville Landmarks Inc., a local historic preservation nonprofit working to preserve, protect, and promote the architecture, history, and heritage of Thomasville and the Thomas County area.

He is also a long-time Ducks Unlimited Committee Member. Ducks Unlimited works to deliver continental conservation for wetlands and waterfowl.

Where are We Now? How CPA Firms are Operating After More Than a Year of Pandemic Life

by **NATALIE ROONEY**

When COVID-19 swept into the U.S. in early 2020, few probably envisioned that 18 months later, a majority of people would still be working from home, business travel wouldn't be back to pre-pandemic levels, and the "new normal" is still undefined. GSCPA members share what the last year has been like as they contemplate the future.

THEN AND NOW

When Heidi LaMarca, CPA, CEO and managing partner for Windham Brannon in Atlanta, sent her team home to work in March 2020, she knew they were technologically prepared, but the big unknown was: when would they all be back? The Windham Brannon office opened in June 2020 for those who wanted or needed to work from the office, but the firm has yet to ask people to return full time and expects a permanent hybrid model.

"We had several dates planned to return, but cases would fluctuate," LaMarca says. "Ultimately, we didn't see the need to push our employees to return to the office. Our technology and platforms allowed us to remain connected to each other and our clients as effectively as if we were in the office. We have yet to define a new timeframe."

Currently, the firm's 37,000 square foot office hosts just 30 people on any given day, making it easy to remain physically distanced.

At Aprio in Atlanta, Richard Kopelman, CPA, CGMA, CEO and managing partner, says plans to return to the office vary by location, and staff can choose to come into the office. Between 10 and 30 percent are in on any given day, and some days depending on the office, as much as 50 percent of the team may come in.

Tommy Jones, CPA/ABV, PFS, CFP, CVA, managing director of tax, estate planning and business valuations at Jones, Jones, Davis & Associates, PC in Augusta, describes how he locked the front doors March 13, 2020. At first, approximately 25 percent of staff worked from home, but many stayed, isolating in their own offices and donning masks when moving about the larger office space. A local infectious

disease doctor helped the firm create a plan to work safely in the office. For the past 12 months, nearly everyone has been in the office daily, using masks and distancing.

MEETING CLIENTS WHERE THEY ARE

In the early days of the pandemic, some clients still wanted a face-to-face experience, so Jones wore a mask and met them in the parking lot to sign documents. "People appreciated what we were doing to keep them and our staff safe," he says. "No one accused us of going overboard." The efforts paid off, and no one became sick. "We heard stories of COVID-19 spreading through everyone in an office. We wanted to make sure that wasn't us."

Clients have been trying to figure out their office policies, says LaMarca. Some audit clients wanted Windham Brannon on-site, while others didn't. Workarounds were created, such as observing inventory via Zoom or FaceTime. Some teams traveled, but if employees weren't yet comfortable, they could opt-out. The advisory practice had a different reality. LaMarca says this group didn't remain grounded for long and was back in the air by June. "Many clients were in transition and needed that on-site consult."

Ironically, since many larger accounting and consulting firms weren't allowing any travel, LaMarca says the last year has been a good period for growth and new clients for the advisory group.

Kopelman says the pandemic changed how firms work with clients. "Clients realized that we could do much of the work without having to be in each other's offices," Kopelman explains. "We've proven that we

can work remotely and still provide a great client experience. In cases where we could not serve clients remotely, our teams were able to coordinate a safe on-site client visit."

Occasionally, clients themselves were personally battling COVID-19, putting an unusual twist on the type of advice needed. Jones was assisting a dentist with the sale of her practice when she became ill. She authorized Jones to be her Power of Attorney, and the entire process was witnessed by an attorney and a notary and completed over FaceTime. Jones moved forward with the sale of the practice while his client fought and beat COVID-19.

In May, Jones says they began welcoming fully vaccinated clients into the office. "Clients are excited to come in and meet with us in person while continuing to take precautions." He is hopeful things settle down for 2021, but because stimulus payments occurred into the new tax year, it might be déjà vu all over again. "Wouldn't it be great if the IRS came up with some sort of reporting form and instructs people to save it in their tax file?" Jones muses. "We had to ask a lot of questions to figure out how much stimulus money individuals received," he says. "People didn't know they had to put that information on their return. Maybe the IRS will read this article and send something out in 2022," he laughs.

KEEPING PEOPLE CONNECTED

Since the start of the pandemic, 42 percent of employees say they are less satisfied with their lives, according to research from Joblist. Employees said working from home leaves them:

- spending extra time preparing for work

- feeling alone at work
- suffering more mental health issues, and
- spending less time with family and friends.

As a result, firms are looking for innovative ways to keep employees connected.

"A few months into working from home, we could see that training was going to be a challenge for our interns and new hires who don't know our processes yet," LaMarca says.

Audit teams decided to have open Microsoft Teams sessions when everyone works with their video on. They unmute if they have questions. "It gives the feel of being in a room together," LaMarca explains. "It's easier for younger team members to ask questions because they don't feel like they're intruding." Tax managers began holding office hours, allowing staff to pop into a Teams meeting. "It gets that knowledge sharing and collaboration going again," she says.

Jones says he has missed not joining someone at their computer to discuss information as he might have done in the past but remains grateful his team has at least been in the same building, especially during a challenging tax season. He had the opportunity to thank each individual for their efforts personally. "This year has been difficult, but we've been here together and supporting each other."

Pulse surveys have helped Aprio leaders gauge how people are feeling across the firm. "Combined with one-on-one communication, we're gathering information about what we can do to help each other," Kopelman says. One of the outcomes was giving employees the ability to contact a life coach to discuss mental health issues; a benefit Windham Brannon is also offering.

"The pandemic has put more attention on mental health, which is a good thing," LaMarca says. The firm recently launched a new mental health series: Virtual Wellness Workshops.

INTENTIONAL CULTURE

Virtual happy hours, wine tastings and other activities were fun ways to connect at the start of the pandemic. Still, LaMarca says as staffing needs changed, it quickly became

apparent that onboarding presented a new challenge. "We had 25 people who had never met anyone from our team in person," she says. "It's hard to learn an organization's culture when you're not meeting people."

Windham Brannon leaders brainstormed ways to promote the firm's fundamental behaviors. Using the book *Culture by Design* as a guide, their goal was to make the culture more intentional. Each week begins with an email featuring a fundamental firm behavior, what it means, and how to apply it. "This intentional focus helps make each behavior a ritual and a habit," LaMarca explains.

Aprio also practices one of its 31 fundamentals: behaviors that guide interactions with team members and clients each week. "We've worked to keep the language and camaraderie going around our fundamentals," Kopelman says. "It is a big help in maintaining our culture." The firm has remotely onboarded nearly 150 people in the last 12 months, including those who joined the firm as a result of a merger. "We reiterate at the partner level: make sure you're talking to your people regularly to make sure they have what they need, especially in these times."

In March, insurer Prudential released a survey that showed nearly 90 percent of workers don't really want to go back to the office – at least not every day; they prefer to work at home at least once a week. One in three survey respondents said they wouldn't work for a company that forced them to be on-site, full time, but 43 percent said they'd be nervous about their job security if they stayed home while others returned to in-person.

LaMarca says Windham Brannon will likely adopt a permanent hybrid schedule. "If we're not open to virtual work, we won't attract the best people," she says. Employees will be surveyed as to how many days a week they want to be in the office. Those who plan to be on-site less than 50 percent will use an in-office hoteling system. Ultimately, the firm will likely lease less office space when it's time to renew. "We don't know exactly what it will look like yet," LaMarca says. "But we're brainstorming different ways to give our employees more competitive benefits, so they continue to be happy here."

A RESILIENT PROFESSION

In many ways, 2020 was the worst year. But

in other ways, 2020 was a great year despite COVID-19, Jones says. An influx of new estate tax clients created a wave of work on top of an already crazy year, but Jones says it's what CPAs are trained to do. "We have the experience," he says. "It's what we're here for."

This past year has been about showing resiliency, LaMarca says. "In March 2020, I thought that if we were flat or up just a bit for the year, I'd be happy. Some practices and clients suffered, but others were very successful. Having a diverse client base paid off."

LaMarca says that the firm also learned a lesson in flexibility and innovation. "The way we've always done it became a thing of the past, and we had to ideate on and implement new ways to connect and create new offerings for our clients."

Kopelman uses the same word – resiliency – to describe the Aprio team and how well they were able to take care of clients during the pandemic. "Our focus has been around how we can best use technology to interact with clients while still building meaningful personal relationships," he says.

From a client standpoint, Kopelman says CPAs are more critical than ever, not because of compliance issues, but for all of the external forces at play in the world today. "Restaurants are closing, not because of COVID-19, but because of labor shortages," he says. "Manufacturers can't get people on the plant floor. Clients are being hit by ransomware and are concerned about their technology infrastructure. They're asking us to advise on everything from labor to cybersecurity and anything in between."

Kopelman says the firm has a plan and continues to execute it. "We're keeping our people regularly updated on how we're progressing along our path. Servant leadership is more important now than ever before. We recognize we don't have all of the answers, and we're figuring it out together. Being honest about that and hearing other people's ideas in this day and age is critical."

NATALIE ROONEY is a freelance writer from Colorado but has been writing for CPA societies for 15 years. She can be reached at nrooney@centurytel.net.



Tax Update Considerations on Recently Enacted Federal Legislation

by MEGHAN E. GRESKOVICH, JD, MBA

Nearly a year after its onset, the COVID-19 pandemic has changed how we work, learn and interact socially with others. While some individuals were more impacted by the pandemic than others, the one aspect affecting all individuals is the tax changes in the months and years to come. The Families First Coronavirus Response Act (FFCRA effective March 18, 2020), the Coronavirus Aid, Relief, and Economic Security Act (CARES Act effective March 27, 2020), and the Consolidated Appropriations Act (CAA effective December 27, 2020) are just some of the significant COVID-19 related legislation aimed at providing relief for individuals, families and businesses impacted by the economic fallout caused by COVID-19. The unpredictability of the pandemic and continuous rollout of relief provisions made the 2020 tax year for CPAs "one for the books," and now we must grapple with the new changes that come with the 2021 tax year. The most recent COVID-19 legislation to impact the tax landscape for 2021 and subsequent tax years is the American Rescue Plan Act (ARPA), signed into law on March 11, 2021, by President Biden. The ARPA provided approximately \$1.9 trillion in additional funding to individuals and businesses and state and local governments afflicted by the pandemic by expanding eligibility requirements for various tax credits and recovery funds. To best understand the key provisions of ARPA and the related COVID-19 legislation, we will first address the provisions that affect individuals, followed by those that affect business entities.

I. INDIVIDUALS

A. Child and Dependent Care Tax Credit
IRC §21, §129; American Rescue Plan Act of 2021 §9631, §9632
The ARPA made significant changes to the Child and Dependent Care Tax Credit (CDCC) for the 2021 tax year. The CDCC is available to taxpayers for expenses related to the care of "qualifying individuals" such that the taxpayer can maintain employment. A "qualifying individual" includes a person under the age of 13 that lives in the taxpayer's home for over half of the year and does not provide for over half of his/her support. This credit also includes expenses for the care of a taxpayer's disabled spouse or dependent that resides with the taxpayer for over half the year. Covered expenses must be "employment-related," including daycare expenses, nanny expenses, and nursery school. Even some household services, such as domestic help, can qualify so long as the cost is in part for the care of a qualifying individual and some before/after school programs qualify as covered expenses. Married couples must file a joint return to claim this credit.

For the 2021 tax year, the eligible qualifying expenses of the CDCC cannot be greater than the income the taxpayer or spouse earns from work, self-employment or disability/retirement benefits. For a married couple, the limit on eligible expenses is the amount that the individual with the lesser amount of income earns; meaning, that if one spouse does not work, the CDCC cannot be claimed. For the 2021 tax year, the CDCC is refundable so long as either the taxpayer or the spouse maintains a principal residence in the U.S. for more than half the tax year. The CDCC amount for 2021 is \$8,000 for a single qualifying individual and \$16,000 for two or more qualifying individuals. The credit is computed as a percentage of qualifying expenses in proportion to AGI. The applicable percentage of qualifying expenses for 2021 is 50 percent but is reduced by one percent for every \$2,000 by which AGI exceeds \$125,000. For AGI levels below \$125,000, the maximum credit amount is \$4,000 for a single qualifying individual and \$8,000 for two or more qualifying individuals. The phase-out for the 2021 CDCC is 20 percent but is reduced by one percent for every \$2,000, by which AGI exceeds \$400,000.

B. Income Exclusion for Unemployment Benefits
IRC §85(c); American Rescue Plan Act of 2021 §9042
A significant change enacted by the ARPA retroactively applies to the taxation of unemployment compensation received due to COVID-19 legislation. The ARPA excludes the first \$10,200 (\$20,400 for married filing jointly) of unemployment compensation benefits from taxation for qualifying taxpayers. The exclusion of unemployment compensation benefits from taxation does not apply to taxpayers—regardless of their filing status—with an AGI of \$150,000 or higher for taxpayers. Taxpayers exceeding the \$150,000 AGI threshold must include all unemployment compensation in their gross income.

II. BUSINESS ENTITIES

A. Excess Business Losses
IRC §461(l); American Rescue Plan Act of 2021 §9041
Pursuant to §162(l), non-corporate losses over \$250,000 (\$500,000 for joint filers) are usually disallowed. However, §461(l) was amended by the CARES Act by limiting the exclusion of non-corporate taxpayer's excess business losses for tax years 2021 through 2025 and removed §461(l) limitations for the tax years 2018 to 2020. The ARPA has extended the expiration of §461(l) from 2026 to 2027. However, the CARES Act provisions relating to §461(l) are not amended by ARPA.

B. Paid Sick and Family Leave Credits
IRC §3131, §3132, §3133 (new); American Rescue Plan Act of 2021 §9641, §9642
The ARPA expanded the Families First Coronavirus Response Act (FFCRA) leave-related measures and extended the duration for employers to obtain tax credits for voluntarily providing paid sick leave for COVID-19 through September 30, 2021. This credit is available to businesses and non-profits with fewer than 500 employees.

Regarding paid sick leave, from April 1, 2021, to September 30, 2021, the ARPA permits employers to claim a refundable tax credit for up to 10 days of qualifying paid sick leave per employee—even if the employee had already taken qualified paid sick leave under the FFCRA and CAA programs before April 1, 2021. The ARPA also expanded the list of covered reasons for which employees may be granted qualified paid sick leave to include (1) obtaining a COVID-19 vaccine, (2) recovering from the COVID-19 vaccine side effects, (c) awaiting the results of a COVID-19 test or diagnostic due to employee exposure or employer requirements. Regarding paid family leave, the ARPA eliminates the requirement that the first two weeks of family leave must be unpaid and allows employers to provide voluntarily up to 12 weeks of qualifying paid family leave between April 1, 2021, and September 30, 2021, per employee with the maximum amount of refundable tax credit per employee being \$12,000. The ARPA also expanded the list of covered reasons why employees may be granted paid family leave to those allowable for paid sick leave. However, employers will only be eligible for these two credits if their voluntary leave policies are applied in a non-discriminatory manner among employee classifications. An employer cannot discriminate based on hours worked, employee compensation or employee rank.

C. COBRA Subsidies
IRC §35(g)(9), §139I (new), §6720C (new); American Rescue Plan Act of 2021 §9501
The ARPA has provided a 100 percent COBRA subsidy that runs from April 1, 2021, through September 30, 2021, and allows "assistance-eligible individuals"—COBRA qualified employees eligible for COBRA coverage as a result of a reduction in work hours or involuntary termination of employment—to pay zero

Tax Update continued on page 16

percent of COBRA premiums and receive a full subsidy that is excluded from the individual's gross income. It is important to note that individuals who failed to elect COBRA coverage before April 1 or individuals that elected COBRA and then dropped coverage before April 1 are still eligible for the ARPA COBRA subsidy. However, this COBRA subsidy is not available to individuals eligible for insurance outside of COBRA through Medicare or other employer-sponsored plans. It is not available to individuals who voluntarily terminated their employment. The ARPA requires individuals to self-report to their COBRA plan and assign tax penalties for failing to report. An individual's former employer is responsible for paying the subsidy but is entitled to a 100 percent tax credit for the employer portion of Medicare taxes (minus CARES and FFCRA credits) required each calendar quarter.

D. State and Local Fiscal Recovery Funds
Department of the Treasury 31 CFR Part 35

Congress provided state and local governments with significant financial resources through ARPA's Fiscal Recovery Funds in response to the COVID-19 pandemic and its economic consequences by establishing a framework to determine the eligibility of both the types of services and programs as well as the permissible uses of such funds for state, local and tribal governments. Congress has set forth categories of eligible uses for these funds and given state and local governments flexibility in allocating the funds amongst these categories. The categories include (1) supporting public health expenditures by providing resources for COVID-19 mitigation efforts such as medical expenses, behavioral health care and certain public health staff; (2) addressing negative economic impacts caused by the COVID-19 crisis, such as the economic harms to workers, households, small businesses, impacted industries, and the public sector; (3) replacing lost public sector revenue to secure government services; (4) providing premium pay for essential workers as well as investing in the infrastructure of essential services such as clean water and broadband access. The distribution schedule established by Congress determines the distribution of the funds based upon government and unemployment rates. However, funds will not be received by governments as a lump sum nor at the same time that other eligible government entities receive such funds.

E. Restaurant Revitalization Program
American Rescue Plan Act of 2021 §9673

The ARPA created the Restaurant Revitalization Fund ("RRF"), a new grant program administered by the SBA to assist restaurants and bars that experienced a loss in revenue in 2020 compared to 2019 due to the pandemic. Qualifying entities that may apply for RRF grants are explicitly outlined in the ARPA and include restaurants, food stands/carts, food trucks, caterers, bars, lounges and licensed facilities or premises of alcoholic beverage producers where the public may taste. However, restaurants and bars owned by state and local governments or part of a publicly traded company cannot apply for RRF grants. Restaurant owners operating under a franchise agreement or like-kind agreement that satisfies the FTC's definition of a "franchise" provided in

16 CFR 436 are RRF eligible. For entities meeting the RRF eligibility requirements, the maximum grant amount available per entity (and its affiliates) is \$10 million, or \$5 million per physical location. RRF grant funds may be used for (1) payroll costs; (2) mortgage payments; (3) rent; (4) utilities; (5) maintenance expenses; (6) supplies; (7) food and beverage expenses; (8) covered supplier costs; (9) operational expenses; (10) paid sick leave; and (11) any other expense determined to be essential to maintaining the business.

F. Restaurant Meal Deduction Rules
IRS Notice 2021-25; §274(n)(2)(D)

The CAA amended Code §274(n) by adding a temporary exception to the business-meal deduction for the cost of food and beverages provided by a restaurant from 50 percent to 100 percent in 2021 and 2022, provided certain requirements are met. IRS Notice 2021-25 defines a restaurant under the new exception to be a business that prepares or sells food or beverages to retail customers for immediate consumption, regardless of whether the food or beverages are consumed on the business's premises. However, a restaurant does not include a business that primarily sells pre-packaged food or beverages, not for immediate consumption, such as a grocery store; specialty food store; beer, wine, or liquor store; drug store; convenience store; newsstand; or a vending machine or kiosk. This allows a business to claim a 100 percent deduction for food and beverage expenses paid to restaurants so long as the business owner or employee is present and the expenses are not lavish or extravagant given the circumstances. Neither eating facilities located on-site nor employer/third party operated eating facilities qualify as a restaurant under the exception; consequently, all other business meals and entertainment expenses are still subject to the 50 percent meal deduction. Individuals should still maintain accurate documentation of the business purpose, including the person(s) involved in such meals.

With the continuous release of new IRS guidance and updates to previously enacted COVID-19 legislation, CPAs and tax practitioners should make all efforts to ensure that they are always referencing the most up-to-date versions. Although many states are starting to relax their restrictions and everyday life is beginning to return to a pre-COVID-19 sense of normalcy, the 2021 tax year will undoubtedly bring about a new set of challenges as well as opportunities to best serve your clients' needs.

MEGHAN E. GRESKOVICH, J.D., MBA, is a tax attorney for Mauldin & Jenkins, CPAs & Advisors, in their Macon office. She joined the firm in January 2021, serves as a firm-wide tax resource for advisory purposes, and monitors the legislative developments and the potential impact of pending legislation on client matters.

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Please visit the Voluntary Benefits Offering website at swett.com/GSCPA



Quality: The Foundation of a Firm's Accounting and Auditing Practice

by KATHRYN M. FLETCHER, CPA

Quality is the foundation on which a firm's accounting and auditing practice is based. An effective quality control system provides reasonable assurance of compliance with professional standards and helps to ensure that engagement reports issued by the firm are appropriate in the circumstances. Many of us are keenly aware that professional standards continue to change rapidly, creating significant challenges for firms' to manage quality proactively. This and other critical issues, such as advancements in technology and the business environment in which firms operate, concerns about audit quality, and scalability of standards for all firms, have influenced the Auditing Standards Board's (ASB) decision to converge with International Auditing and Assurance Standards Board (IAASB) standards and issue the exposure draft (ED) *Proposed Quality Management Standards*.¹ The ED includes three interrelated standards, based substantially on the IAASB's quality management standard, introducing a new risk-based approach to quality management systems within firms. The new proposed standards are widely applicable as they impact all firms with accounting and auditing practices. The three proposed standards are:

- Proposed Statement on Quality Management Standards (SQMS) *A Firm's System of Quality Management* (SQMS No. 1)
- Proposed SQMS *Engagement Quality Reviews* (SQMS No. 2)
- Proposed Statement on Auditing Standards (SAS) *Quality Management for an Engagement Conducted in Accordance with Generally Accepted Auditing Standards* (QM SAS)

The new risk-based approach focuses firms' attention on risks that may have an impact on engagement quality. The risk assessment

process includes establishing specific quality objectives, identifying and assessing quality risks and designing and implementing responses to address the quality risks. The new approach requires a firm to customize the design, implementation and operation of its system of quality management based on the nature and circumstances of the firm and the engagements it performs. In addition to incorporating a risk assessment process, the proposed standards revise components of the system of quality management, include more robust leadership and governance requirements such as the assignment of ultimate responsibility and a stand back provision, address network requirements and enhance the monitoring and remediation process including requirements for identified deficiencies, an inspection of completed engagements for engagement partners on a cyclical basis and prohibiting self-inspection. Since extant QC standard (QC section 10) does not prohibit self-inspection, the scalability of this prohibition on smaller firms or firms with specialized industries may be more challenging and significantly impact a firm's current monitoring activity policies and procedures. In the proposed standard, the prohibition addresses the objectivity of the individuals performing the monitoring activities by prohibiting the engagement team members or the engagement quality reviewer of an engagement from performing any inspection of that engagement. The Explanatory Memorandum to the ED includes views considered by the ASB regarding having individuals inspect their own compliance with a quality management systems. The ASB noted that the self-review threat and risk of "you don't know what you don't know" could not be reduced to an acceptable level and that the prohibition is necessary to enhance audit quality. The ASB is interested in hearing views regarding self-inspection,

and if applicable, examples of safeguards that could lower the self-review threat to an acceptable level.

Proposed SQMS No. 1 addresses the firm's responsibility for establishing a quality management system (extant quality control), including identifying when an engagement quality review (extant engagement quality control review) is an appropriate response to a quality risk. Proposed SQMS No. 2 contains the requirements for policies and procedures addressing the appointment and eligibility of engagement quality reviewers and the performance of engagement quality reviews. Engagement quality reviews support the exercise of professional skepticism at the engagement level by providing an objective evaluation of significant judgments made by the engagement team. To address threats of objectivity, proposed SQMS No. 2 includes limitations on the engagement quality reviewer by establishing a two-year "cooling off" period for individuals who previously served as the engagement partner. In the Explanatory Memorandum to the ED, the ASB provides background and deliberations regarding the "cooling off" requirement, appropriate length of the "cooling off" period (two years, one year or none), and whether other safeguards could lower the objectivity threat to an acceptable level. The nature, timing and extent of the engagement quality reviewer's procedures vary depending on the nature and circumstances of the engagement or the entity. The requirements for the performance of the engagement quality review focus the reviewer's attention on significant judgments and matters. When significant judgments are made, an effective engagement quality review is achieved when the reviewer is involved at appropriate points during the engagement. This new requirement allows for timely evaluation and resolution of any



effective dates

PROPOSED SQMS NO. 1

A firm's quality management system would be required to be designed and implemented by December 15, 2023, and the evaluation of the system of quality management would be required to be performed within one year following December 15, 2023.

PROPOSED SQMS NO. 2

Would be effective for audits or reviews of financial statements for periods beginning on or after December 15, 2023, and other engagements in the firm's accounting and auditing practice beginning on or after December 15, 2023.

PROPOSED QM SAS

Would be effective engagements conducted in accordance with generally accepted auditing standards for periods beginning on or after December 15, 2023.

identified issues. Another new requirement in proposed SQMS No. 2 relates to the dating of the auditor's report. Under extant QC section 10, the engagement quality review must be completed before the report is released, noting that when the review results in additional procedures having to be performed, the date of the report would be changed. Under the proposed standard, the engagement partner is precluded from dating the engagement report until notification has been received from the engagement quality reviewer that the engagement quality review is complete. The ASB has noted that in practice, it is common for the report date and the report release date to coincide.

The third and final interrelated proposed standard, QM SAS, addresses the specific responsibilities of the auditor regarding quality management at the engagement level and the related responsibilities of the engagement partner. The proposed SAS identifies that the engagement partner has overall responsibility for managing and achieving quality and should be sufficiently and appropriately involved throughout the audit engagement. The engagement partner's responsibilities include fulfilling leadership responsibilities, supporting engagement performance and a new stand back requirement. Arguably the most impactful driver to enhancing quality is the qualifications of the engagement partner and creating a culture that demonstrates a commitment to performing quality engagements.

As a profession, CPAs have demonstrated an ongoing commitment to quality and long history of continuous improvement. Our commitment to enhancing quality and achieving the highest level of engagement performance is the foundational concept in quality standards. The ASB's continuous evaluation and focus to increase compliance with quality standards will result in consistent performance of quality engagements resulting in service to the public interest by building trust in the services CPAs provide. The ASB's proposed quality management ED is extensive, comprising close to 200 pages of guidance. It is strongly recommended that firms, especially those with limited resources,

start preparing now by becoming familiar with the proposed standards and developing a timeline and implementation plan.

EFFECTIVE DATES

- Proposed SQMS No. 1 – A firm's quality management system would be required to be designed and implemented by December 15, 2023, and the evaluation of the system of quality management would be required to be performed within one year following December 15, 2023.
- Proposed SQMS No. 2 – Would be effective for
 - a. audits or reviews of financial statements for periods beginning on or after December 15, 2023, and
 - b. other engagements in the firm's accounting and auditing practice beginning on or after December 15, 2023.
- Proposed QM SAS – Would be effective engagements conducted in accordance with generally accepted auditing standards for periods beginning on or after December 15, 2023.

The ASB recognizes that most firms will need implementation guidance materials for effective implementation and are aware that other SASs have the same effective date.

ASB SEEKING FEEDBACK

The new proposed standards are widely applicable and will significantly impact firms with accounting and auditing practices. Therefore, the ASB is actively seeking feedback on the proposed statements. To aid in responses, the ASB has created a template comment letter² in which respondents are encouraged to answer any or all questions. Responses with specific examples and suggestions for any proposed changes are most helpful. Comments are due by August 31, 2021.

KATHRYN M. FLETCHER, CPA, CGMA, is a partner with Draffin & Tucker, LLP, in Atlanta, Ga. She currently serves on the AICPA Technical Issues Committee and ASB Quality Management Task Force. She can be contacted at kfletcher@draffin-tucker.com.

¹<https://www.aicpa.org/content/dam/aicpa/research/exposuredrafts/accountingandauditing/downloadabledocuments/20210204a/20210204a-quality-mgmt-ed.pdf>

²<https://www.aicpa.org/content/dam/aicpa/research/exposuredrafts/accountingandauditing/downloadabledocuments/2021024a-qm-ed-comment-letter-template.pdf>



Report Shows Small Businesses on Road to Recovery

by ISAAC M. O'BANNON

U.S. small businesses are on the road to recovery from the financial losses experienced during the COVID-19 pandemic, according to a new report by Intuit QuickBooks.

U.S. small businesses are on the road to recovery from the financial losses experienced during the COVID-19 pandemic, according to a new report by Intuit QuickBooks. The report, Intuit QuickBooks Small Business Recovery, published by Intuit, uncovers the varied impact the pandemic has had on small businesses across different industries and geographies since March 2020, when COVID-19 caused many business owners to shut their doors temporarily.

SMALL BUSINESSES ARE RECOVERING

COVID-19 has had a significant impact on the financial health of American small businesses. In fact, small businesses lost \$4.6 billion in monthly revenue in April 2020 alone compared with their pre-pandemic revenue, according to the report. However, small businesses have proved to be resilient. As of March 31, 2021, 61 percent of industries saw annual revenue increase compared to before the pandemic, following a largely sustained recovery since April 2020.

"From bowling alleys to dentists, and from coast to coast, no small business was immune to the challenging circumstances that COVID-19 presented this year," said Alex Chriss, EVP and GM, Intuit QuickBooks. "Despite these challenges, our data shows that small businesses are on a path to recovery, demonstrating the resilience and tenacity that small businesses embody for all of us. The spirit of resilience and recovery is evident across the entire QuickBooks platform, and Intuit is committed to helping businesses learn new ways to grow and thrive in the future."

The QuickBooks report examines the financial health of small businesses across the United States by leveraging anonymized revenue data from between 800,000 to 1.1 million QuickBooks Online customers. In collaboration with Sand Hill Econometrics founder Susan Woodward, the report uses net bank deposits, which show how much money is going into business bank accounts, excluding government grants and loans, to provide the most complete picture of small business revenues after the onset of the COVID-19 pandemic.

As the trusted partner of small businesses for more than 25 years, QuickBooks used its data and insights to illustrate how small businesses are performing - regionally and by industry - to fully understand the impact of the pandemic on the smallest of small businesses. The businesses represented in this report typically have up to 10 employees. Some have no employees.



covid impact on small business report highlights



APRIL 2020 MOST SEVERE
COVID's impact on small business revenue was most severe in April 2020 when revenue dropped by 22% nationwide — equivalent to \$4.6 billion during that month alone compared to before the pandemic



URBAN AREAS
Businesses in high-density, urban areas — especially on the East and West Coasts — experienced greater negative financial impact than those in rural areas.



RECREATION INDUSTRY AFFECTED
Some of the worst-hit businesses were in the recreation industry. Bowling alleys' annual revenues are down by 33%.



SOME BUSINESS IS BOOMING
Home improvement and real estate businesses have been among the top performers over the past 12 months. At the end of March 2021, mortgage bankers' annual revenues were up by 30%.

"Intuit QuickBooks data has provided extraordinary insights into the pandemic's effect on small businesses, for worse, and for better. We can see where the recoveries are and are not," said Susan Woodward, founder of Sand Hill Econometrics. "Only QuickBooks can see genuine small company revenues, monthly, by industry and location with such accuracy and timeliness."

COVID IMPACT ON SMALL BUSINESS REPORT SUMMARY

The impact of COVID-19 on small businesses nationally is clear when analyzing QuickBooks' small business revenue data during the pandemic compared to pre-pandemic benchmarks. Throughout 2020, the financial health of U.S. small businesses rose and fell in line with the pandemic as states, counties, cities, and towns responded with varying stringent or lenient COVID-19 operational guidelines. As stricter regulations on how small businesses could operate were put in place, revenues fell; as regulations were lifted, small businesses saw opportunities to rebound. QuickBooks data reveals that even some of the hardest hit small businesses are experiencing a recovery one year later.

REPORT HIGHLIGHTS

- COVID's impact on small business revenue was most severe in April 2020 when revenue dropped by 22 percent nationwide — equivalent to \$4.6 billion during that month alone compared to before the pandemic.
- In general, businesses in high-density, urban areas — especially on the East and West Coasts — experienced a greater negative financial impact than those in rural areas. Brooklyn, New York and San Francisco, California, were among the worst-hit cities.
- Some of the worst-hit businesses were in the recreation industry. Bowling alleys' annual revenues are down by 33 percent — a drop of more than \$250,000 per business — compared to before the pandemic.
- Home improvement and real estate businesses have been among the top performers over the past 12 months. At the end of March 2021, mortgage bankers' annual revenues

were up by 30 percent compared to their pre-pandemic level — an increase of \$147,000 per business.

"We didn't experience a dip during the pandemic," shared Dee Johnson, owner of Au Courant, a manufacturer of luxury lighting and unique chandeliers within the construction industry. "With so many people looking to remodel their homes, we were actually quite busy."

As a non-essential business, Johnson explained they did have to shut their doors for a while, but that gave them time to figure out how to pivot and evolve their business.

"Over the course of the pandemic, we created 400 new products and were able to develop a new product line at a more affordable price point, opening our business up to a new segment of the market," Johnson said.

To view the full report and learn more about the sample, data and methodology, please visit <https://quickbooks.intuit.com/r/coronavirus/small-business-recovery/>

This article first appeared at <https://www.cpapracticeadvisor.com/small-business/article/21221141/report-shows-small-businesses-on-road-to-recovery> Reprinted with permission.

ISAAC M. O'BANNON is the managing editor and digital content manager for CPA Practice Advisor (www.CPAPracticeAdvisor.com), drawing on two decades of experience covering professional accounting, taxation, business productivity and consumer technologies. Before CPA Practice Advisor, Isaac was a consultant at firms in San Francisco, Denver and Tulsa, serving clients that included Logitech, Polycom, Hilti, Microsoft, the Stanford Research Institute, the University of Oklahoma's College of Engineering and other technology leaders. He is a U.S. Navy veteran.



GSCPA Recognizes Members with 2021 Awards

The Georgia Society of CPAs acknowledges the hard work and dedication of its members each year through awards. From education to industry, GSCPA members are what make the Society fantastic.



OUTSTANDING MEMBER IN INDUSTRY *Albert Caproni, III, CPA*

The Georgia Society of CPAs is honored to announce the 2021 Outstanding Member in Industry award recipient as Albert Caproni, III, CPA. The award recognizes members in industry who have made significant contributions, both professional and civic, that reflect the values and ideals to which CPAs in industry should aspire.

Al earned his B.A. degree from Columbus College (now Columbus State University) in 1974. He earned his law degree (J.D.) in 1978 from the University of Georgia, where he served on the Editorial Board of the *Georgia Journal of International & Comparative Law*. Following graduation from law school, he practiced in the tax department of Touche Ross & Co. (now Deloitte), earning his CPA certificate in 1981.

After earning his LL.M. in taxation degree from New York University in 1984, Al practiced with a mid-sized Atlanta law firm, representing closely-held businesses and their owners until he and his partner formed Cohen & Caproni in 1997. He has been admitted to the United States Tax Court, the 11th Circuit Court of Appeals, the Supreme Court of Georgia, the Georgia Court of

Appeals, and the United States District Court, Northern District of Georgia.

Al advises clients on many aspects of business planning (from start-ups to succession planning or sale of a business). Planning includes shareholder, partnership or operating agreements for the business, planning for mergers and acquisitions, sales or dispositions of the business and income tax planning for all phases of the business. In addition, he assists individuals with their estate planning, including preparation of wills, creating trusts where appropriate, planning for retirement assets and estate tax issues.

Al is past chair of the Atlanta Bar Association Estate Planning and Probate Section, a member of the State Bar of Georgia, the American Bar Association, the

Atlanta Bar Association, the North Atlanta Tax Council, the Atlanta Tax Forum, The Georgia Society of CPAs (where he serves on the Financial and Estate Planning Advisory Council) and American Institute of Certified Public Accountants. He has given numerous speeches to attorneys, CPAs and business groups regarding the use of LLCs, family limited partnerships and S corporations and other business and estate planning topics.

Al is active in the Atlanta community, having served as an officer and/or board member of many local non-profit charitable or civic organizations. His outside interests include photography, travel and old house renovations. He is married and has three grown children.



DISTINGUISHED MEMBER *Timothy J. Clancy, CPA*

Each year the Chair of The Georgia Society of CPAs (GSCPA) recognizes a distinguished GSCPA member who has demonstrated dedicated service to GSCPA and the accounting profession. This year, Kirk Jarrett is pleased to highlight Tim Clancy, CPA as the 2021 Distinguished member.

Tim graduated from the University of Akron in Ohio with a master's in taxation. With over 25 years of experience in the state income and franchise tax field, he has assisted clients in multiple industries, ranging from large public companies to smaller, closely held operations.

Tim currently serves as the State and Local Tax Services Practice Leader for Windham Brannon. Tim has extensive experience in proactive state tax minimization services. His experience includes assisting taxpayers with developing and designing effective state tax planning and managing the restructuring of the clients' operations. He has also worked closely with clients providing

consultative services that ensured the maintenance of the tax benefits derived.

Tim also has significant experience managing state tax refund reviews; conducting due diligence reviews related to restructuring transactions, including acquisitions, divestitures and mergers; conducting nexus reviews; negotiating voluntary disclosure agreements to minimize liabilities and exposures; state income tax audits and outsourcing.

Tim's experience encompasses various organizational structures, including C corporations, S corporations, limited liability companies and partnerships. He

has provided services to a broad client base, including taxpayers in the services, real estate, manufacturing, distribution and retail industries.

During Georgia's most recent legislative session, Tim gave limitlessly of his knowledge, energy and time. His expertise around state and local sales tax was a huge assist for Don Cook and GSCPA's entire advocacy program.

As an outstanding CPA and GSCPA member, we are honored to present the 2021 Distinguished Member Award to Timothy J. Clancy.



PUBLIC SERVICE AWARD *Sarah Dekutowski, CPA*

The Public Service Award recognizes a GSCPA member who has made significant contributions in public service activities at the local, state, regional or national level. GSCPA is proud to distinguish Sarah Dekutowski as the 2021 Public Service Award recipient.

Sarah Dekutowski is a partner in Draffin Tucker's consulting service group in Atlanta, where she focuses on the health care industry and serves as the firm's resource solutions practice leader. Prior to joining Draffin Tucker in 2012, Sarah served as the CFO of The Emory Clinic, Inc. and CFO and chief compliance officer of Visiting Nurse Health System. Sarah began her career with Arthur Andersen and worked for ten years to the audit manager level before moving to industry.

Sarah is a member of both AICPA and GSCPA, as well as other industry associations. She participates in the GSCPA Leadership Council and the GSCPA Health Care Advisory Council. Sarah also serves as

treasurer of Leadership Sandy Springs and on the Archdiocese of Atlanta Audit Committee.

One of her favorite activities is working with Focus + Fragile Kids. It combines two of Sarah's interests – swimming and individuals with special needs. As a volunteer swim coach for the FAST Fins program for over 14 years, she has enjoyed seeing the swimmers improve their strokes, compete in swim meets and have fun being part of a team. There are not many sports programs for individuals with special needs, and she is proud to be part of this swim team, saying, "I think I get more out of my volunteering than the swimmers. It is very rewarding and a great break from my work. I am a CPA by day and swim coach on the weekends!"

Sarah graduated magna cum laude with a Bachelor of Science in business administration from Southern Connecticut State University. Originally from Yardley, Pennsylvania, Sarah resides in Dunwoody and stays busy with her three "kids" – Drew, who works for the Gwinnett Stripers, Danielle, a senior at Georgia Southern University, and Nick, a junior at Dunwoody High School. Besides family and church activities, Sarah is an avid swimmer, enjoys kayaking and trains for sprint triathlons.

As an outstanding CPA and GSCPA member, The Georgia Society of CPAs is honored to present the 2021 Public Service award to Sarah Dekutowski.

Member Awards continued on page 26



MERITORIOUS SERVICE AWARD

T. Farrell Nichols, CPA

The Meritorious Service Award recognizes individuals who have shown extraordinary dedication to the public or the profession from an accounting perspective.

Those who knew Farrell are aware of his devotion to The Georgia Society of Certified Public Accountants (GSCPA), the CPA profession and his community. Through his involvement with GSCPA, the Georgia State Board of Accountancy, and NASBA, he stands out as a CPA and GSCPA member who went above and beyond the call of duty. He was known as a servant leader, and those that worked alongside him speak of his generosity and work ethic. He will be remembered for the impact he made as a mentor, a tireless advocate for the CPA profession, his tenacity and determination, and for the countless lives he touched in his profession, his community and his church.

Born in Bainbridge, Georgia, Farrell obtained an associate degree from Abraham Baldwin College and graduated with honors with his BBA in Business Administration and Accounting from the University of Georgia. He went on to earn his CPA certification in South Carolina in 1976 and then in Georgia in 1978. Farrell spent most of his 40-year career in public accounting with the firm Nichols, Cauley & Associates, LLC, in Dublin, Georgia, where he was managing partner and engineered the firm's growth across multiple offices. Because of Farrell's leadership, encouragement and support, his staff and team members always felt their connection to him was more of an impactful friendship than a working relationship.

Farrell joined The Georgia Society of CPAs in 1978. His involvement with the Society began when he became a founding member and charter president of the Heart of Georgia Chapter. He served on GSCPA's Leadership Council and completed The Georgia Society of CPAs Leadership Academy in 2008. He was highly respected among his peers and took ownership of the importance of the work performed by each group, task force and committee he touched.

A true legacy of Farrell's volunteer service and commitment to excellence and leadership was evident as he served as a member of the State Board of Accountancy for eight years from 2005 to 2013, with three of those years as

the chair. His role as chair of the Georgia State Board of Accountancy included a broad range of accomplishments, with the most notable being his role in the passage of House Bill 291 (The Public Accountancy Act of 2014).

During his chairmanship, Farrell led the charge in advocating for House Bill 291, which moved the State Board of Accountancy out from underneath the Secretary of State's office to the State Accounting Office where the complexities of the accounting profession could be understood. He was actively engaged in the process, serving a dual role as a member of GSCPA's State Board Task Force while also leading the State Board through the process as well. Through his knowledge and skilled interest in the future of the CPA profession in Georgia, Farrell led The Georgia State Board of Accountancy in a year of transition and history-making change. This crucial change ultimately created greater autonomy for the State Board of Accountancy. Farrell was an integral part of implementing this change, staying the course while facing challenges and ultimately advancing the CPA profession in Georgia.

An avid Georgia Bulldog fan, Farrell's dedication to service and involvement extended into his community. He was a member of the First Baptist Church of Dublin, where he served as a deacon, Sunday school teacher and treasurer. He was also a member, and past president, of the Dublin Rotary Club; former Scoutmaster, Eagle Scout, and Order of the Arrow with the Boy Scouts of America; and past chairman of the Dublin Chamber of Commerce.

Known as a man of integrity and strength of character, rooted in a strong faith in Jesus, Farrell was a devoted husband, father, and grandfather whose huge heart was built around his family. He and his wife, Alice, are delighted to have been blessed with three children and 12 grandchildren.

For his outstanding contributions to the accounting profession, his many years of dedicated service to his professional Society, the Georgia State Board of Accountancy, and his significant efforts in his community, The Georgia Society of Certified Public Accountants, Inc. proudly presents its highest honor, the Meritorious Service Award, to T. Farrell Nichols, CPA.

And the nominees are...

To nominate an individual for a GSCPA award, please complete the award nomination form available at <http://bit.ly/AwardsGSCPA>

DEADLINE FOR NOMINATIONS
December 31, 2021

CONTACT
Callie Hammond, 404-504-2953

MERITORIOUS SERVICE AWARD
The Meritorious Service Award is the highest award presented by GSCPA in recognition for outstanding service to the profession. The individual shall have given superior service to the profession, or could be recognized for a single accomplishment that came to fruition during the course of one year.

PUBLIC SERVICE AWARD
The annual Public Service Award recognizes a member who has distinguished himself or herself in public service activities at the local, state, regional, or national level. Recent activities have included traditional public service via such organizations as the Chamber of Commerce and United Way. Nominees have also been leaders in less traditional areas, such as health care and disabilities, urban development initiatives, education, youth programs, and cultural activities.

OUTSTANDING MEMBER IN INDUSTRY
This award recognizes a member in industry who has made significant contributions, professional and civic, that reflect the values and ideals to which CPAs in this practice area should aspire. Nominees are required to be a GSCPA fellow member in good standing and be employed in practice in industry.



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CAMICO Account Executive
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FOOD INSECURITY FACTS

42 MILLION PEOPLE

The coronavirus pandemic has left millions of families without stable employment. More than 42 million people, including 13 million children, may experience food insecurity.

1 IN 6 CHILDREN

Nearly 400,000 Georgia children are at risk of food insecurity and hunger this year. Children facing hunger are more likely to experience developmental impairments in areas like language and motor skills and have more social and behavioral problems.

DEMAND UP 50%

Georgia's food banks have been responding to an average 50% increase in need since the onset of the pandemic.

1 IN 8 GEORGIANS

Over 1.36 million Georgians (including children) are at risk of food insecurity. A household that is food insecure has limited or uncertain access to food.

1 IN 8 AMERICANS

As a result of the pandemic, Feeding America estimates 1 in 8 Americans and 1 in 6 children could face hunger and food insecurity this year.



GEORGIA ACCOUNTING FOOD FIGHT
AUGUST 9-20, 2021 | VIRTUAL GIVING IN 2021

The 8th annual Georgia Accounting Food Fight is bringing together Georgia's accounting firms and industry accounting departments in a friendly competition to raise funds for Georgia's food bank network in partnership with the Georgia Food Bank Association — and this year, we're keeping it virtual! Your support during the two-week competition means more now than ever as our communities and our food banks face new challenges every day due to added strain from the pandemic. To reach our 2021 goal of \$200,000, we need every accounting firm and industry accounting department throughout Georgia to participate. Last year's competition broke records by raising \$285,117 — the equivalent of over 1 million meals during a time of uncertainty.

GIVE VIRTUALLY

Food banks have decided to alter the Georgia Accounting Food Fight structure this year, limiting participation in the competition to fundraising monetary donations only. The food banks will not be collecting food donations or encouraging volunteering teams to lighten the administrative burden on food bank staff and operations while they meet the increased needs of the community during this time.

HOW DOES IT WORK?

Conduct a virtual fund drive from August 9-20. Everything is made simple. Monetary donations can all be made online through a fundraising page for you or your team. Each dollar contributed will count as four points (\$1 = 4 points = 4 meals). Everything you raise stays local and benefits your regional food bank, but the glory is statewide! Whichever team raises the most points per employee will win the Grand Prize Food Fight Hero Award, and the team with the highest total points overall will win the Grand Prize Hunger Champion Award. Other awards are given in different size categories.

REGISTRATION BEGINS JULY 1

Help us make the most significant impact possible when a record number of Georgians are food insecure. GSCPA is proud to partner with food banks in your community. To register for the 2021 Georgia Accounting Food Fight, please visit bit.ly/GAFoodFight for more details and to complete the registration form.



GSCPA Welcomes New Board Members

The Board of Directors is The Georgia Society of CPAs governing body that consists of the chair, chair-elect, secretary, treasurer, immediate past chairman, and nine directors. The chair, chair-elect, secretary and treasurer are the officers of GSCPA. The secretary is the non-voting member, and the CEO of GSCPA holds the position. The nine directors are elected for two-year terms; terms are staggered for continuity.

VICTORIA M. BARRY, CPA

Victoria M. Barry (Torie) is a partner in Bennett Thrasher’s tax department. Torie has more than 20 years of experience in her career at Bennett Thrasher and is responsible for coordinating tax compliance engagements, tax mitigation strategies and consulting services for closely held corporations, partnerships and individuals.

Torie works in a wide range of industries, but her most significant experience has derived from serving companies in the professional services space. She leads the firm’s professional services industry segment and has served various professional services clients, including many law firms, throughout her 20+ year career. She understands the challenges professional service clients face and helps provide solutions to meet their needs.

Torie focuses on serving partnerships with operations throughout the U.S. She helps clients manage the challenges of complying with the tax filing requirements of differing states while also providing tax planning opportunities to minimize her clients’ overall tax burden.

CHRISTOPHER M. CONRAD, CPA

Chris is a partner in the tax services group of Smith and Howard, PC. He began his career in public accounting in 2006 when he joined the firm as a staff accountant and is involved with a broad range of clients. Chris focuses his time on large real estate and private equity transactions by helping clients meander through the complicated rules surrounding partnership taxation. He additionally provides planning and consulting for numerous corporate entities in the transportation, logistics, construction and manufacturing and distribution businesses. By honing in on those strengths, Chris can assist in resolving complex shareholder and family tax issues, especially those involving estate and gift strategies.

Chris received his BBA in accounting and his Master of Accountancy from the University of Georgia. He is a member of the American Institute of Certified Public Accountants and The Georgia Society of Certified Public Accountants.

On his days off, Chris enjoys cheering on the “Dawgs,” playing golf and relaxing at home in Sandy Springs with his wife and daughter and their bevy of lovable pets.

What does the GSCPA Board do?

- Develops and approves the Society’s strategic plan and monitors the plan’s implementation and results.
- Has oversight of matters affecting GSCPA as those matters relate to policy.
- Adopts the annual budget.
- Proposes amendments to the bylaws.
- Addresses other matters related to GSCPA and the accounting profession.

How do I become a Board member?

GSCPA is always looking for members who would like to volunteer to serve GSCPA as an Officer, Director or Leadership Council Member-at-Large.

Visit www.gscpa.org under Volunteer Opportunities for more information. If you have any questions, please contact the Member Services Department at 800-330-8889, extension 2986.

JODI K. PREVOST, CPA

Jodi Prevost is a member of the assurance and advisory services practice of Frazier & Deeter. She specializes in audits of real estate, not-for-profit entities, country clubs, professional services firms and manufacturing and distribution.

Jodi is an expert in timber and timberland audits with clients that include funds, REITs, TIMOs and operating companies. She audits timberlands in the Southeast, Northeast and Pacific Northwest United States, ranging from \$35 million to over \$350 million. Jodi also performs internal control assessments and audits as well as SEC compliance audits for investment managers. She assists clients in managing their log and pulpwood supply agreements through agreed-upon procedures engagements.

Jodi works closely with Frazier & Deeter’s audit methodology to ensure quality and consistency of procedures throughout the Assurance practice. Jodi also serves as captain of the firm’s team for the Leukemia & Lymphoma Society’s Light the Night Walk.

your 2021-2022 gscpa leadership

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G. Thomas Harrison

CHAIR-ELECT

Deborah T. Thaw

TREASURER

Carlton H. Hodges

SECRETARY

Boyd E. Search

IMMEDIATE PAST CHAIR

Kirk J. Jarrett

STATEWIDE DIRECTORS

FIRST OF A TWO-YEAR TERM

Victoria M. Barry

Cromwell S. Baun

Christopher M. Conrad

Christopher A. Miller

Jodi K. Prevost

SECOND OF A TWO-YEAR TERM

Jeffrey H. Kess

Howard A. Mosby

Evelyn Rosier

Cecily VM Welch

2021 Virtual Southeastern Accounting Show

WEDNESDAY, AUGUST 25 - THURSDAY, AUGUST 26, 2021

EVENT CODE: LS13085 | UP TO 18 HOURS OF CPE CREDIT

We're taking the 2021 Southeastern Accounting Show, GSCPA's premier event, completely virtual! National speakers, high-quality education and the hottest topics delivered directly to you. With three tracks of study, you have the power of choice about how your educational story will turn out.

Through our virtual platform, SEAS 2021 is open to anyone, anywhere. Explore all of the newest standards, issues, and developments at one event, ensuring you leave with new ideas, information and best practices.

VIRTUAL PRE-CONFERENCE WORKSHOPS

Add one or both of these 4-hour workshops to your virtual SEAS experience for only \$75 per session for SEAS registrants.

Tuesday, August 24 | 8:30 a.m. - 12 p.m.
Topic 842 - Implementing Leases: A Hands-On Workshop
Melisa Galasso, CPA, CPTD, Galasso Learning Solutions, Charlotte, N.C.

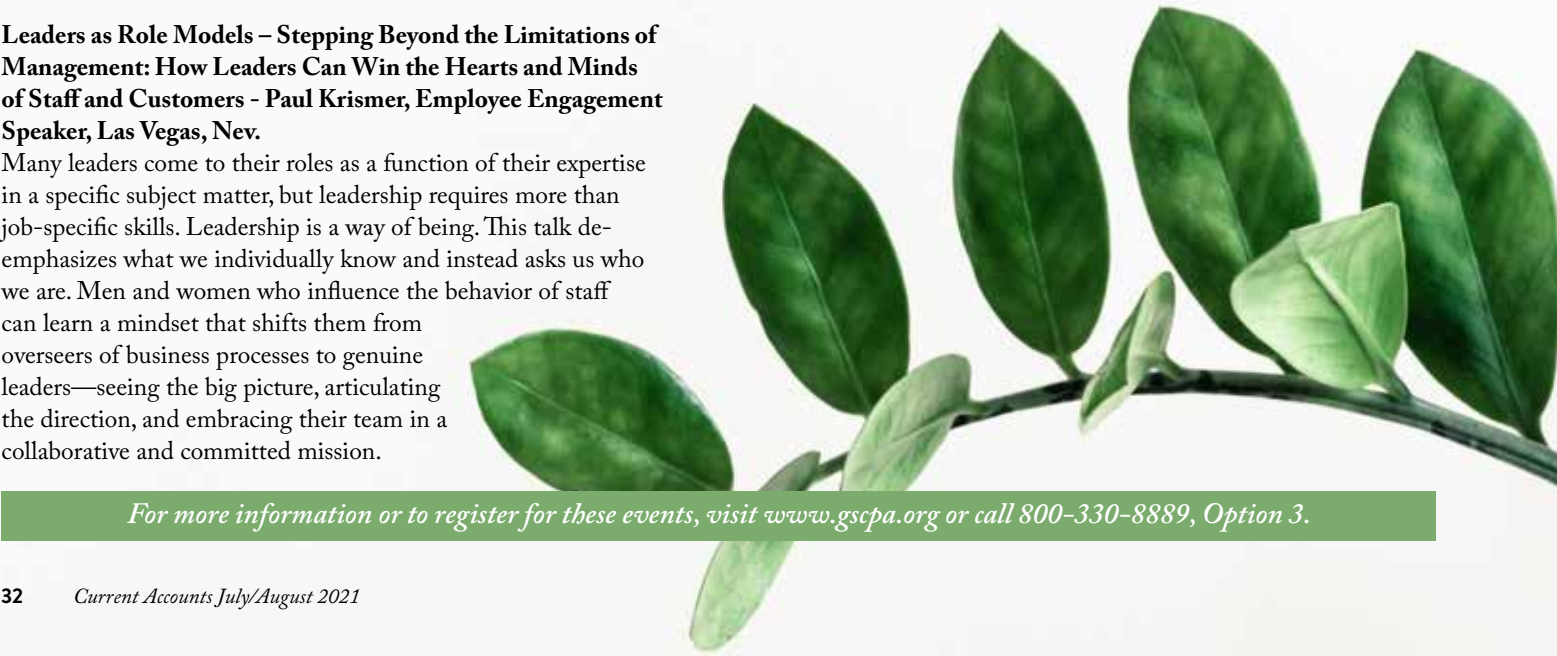
Tuesday, August 24 | 1 - 4:30 p.m.
Learn from Fraudsters and How Personality Types Affect Fraud
Raymond Kevin Cross, EA, MST, CPA, Account417, LLC, Roswell, Ga.

KEYNOTE SESSIONS

Work to a Different Beat - Justin Jones-Fosu, Work. Meaningful., Charlotte, N.C.
An inside-out approach powered by practical research empowers your people to bring their best selves to work every day. Using the African drum as a metaphor for bringing meaning, Justin creates a customized and unforgettable experience that will inspire your audience to take immediate action in showing up.

Leaders as Role Models - Stepping Beyond the Limitations of Management: How Leaders Can Win the Hearts and Minds of Staff and Customers - Paul Krismer, Employee Engagement Speaker, Las Vegas, Nev.

Many leaders come to their roles as a function of their expertise in a specific subject matter, but leadership requires more than job-specific skills. Leadership is a way of being. This talk de-emphasizes what we individually know and instead asks us who we are. Men and women who influence the behavior of staff can learn a mindset that shifts them from overseers of business processes to genuine leaders—seeing the big picture, articulating the direction, and embracing their team in a collaborative and committed mission.



- A&A
- Nonprofit GAAP Update
 - GASB Update
 - FASB Update: Private Company Focus
 - Update on Standards for Audits and Attestation Engagements
 - Lease Accounting: Current Issues
 - Peer Review Update
 - Financial Statements in the Current Environment
 - 2021 Fraud Cases and Lessons Learned

- TAX
- Legislating Retirement Plan Compliance: A Hard Look at Recent Fundamental Changes to Rules and Regulations
 - Estate Planning
 - Federal Tax and Stimulus Update
 - Recent SALT Developments in the Southeastern States
 - How to Maximize the 2021 COVID-19 Relief Benefits
 - Georgia Department of Revenue Update
 - Business Tax Update
 - It's Getting Hot in Here: Tax Controversy Update

- B&I
- Economic and Market Outlook 2021
 - The Times "Might" be A-Changin: Business Law Update
 - FASB Update: Industry Focus
 - Financial Institutions Update
 - Microsoft Excel's Formulas and Functions
 - Cybersecurity for the Accounting Business
 - In and Out of Office: Workforce 2021
 - Business Analytics Using Microsoft Excel

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In-Person Updates Around the State

In-person events will resume in October, and GSCPA has many essential updates to keep you informed. To register, visit www.gscpa.org and search the event code in the online event catalog. Events are subject to change or cancellation.

You can browse and filter the GSCPA online event catalog by location to see what is available in your area.

ACCOUNTING AND AUDITING

Annual Update and Practice Issues for Preparation, Compilation and Review Engagements**

ATLANTA	October 25	8 A&A	Event Code: 10019
VALDOSTA	November 3	8 A&A	Event Code: 11011
DUBLIN	November 15	8 A&A	Event Code: 11034
MACON	December 13	8 A&A	Event Code: 12026

Early: \$280 M, \$380 NM - Standard: \$340 M, \$440 NM - Late: \$380 M, \$480 NM

Annual Update for Accountants and Auditors**

ATLANTA	October 26	8 A&A	Event Code: 10022
ATHENS	November 9	8 A&A	Event Code: 11019
DALTON	November 15	8 A&A	Event Code: 11033
ROME	November 16	8 A&A	Event Code: 11035
NEWNAN	November 23	8 A&A	Event Code: 11059
DUBLIN	December 6	8 A&A	Event Code: 12014
ALBANY	December 7	8 A&A	Event Code: 12015

Early: \$280 M, \$380 NM - Standard: \$340 M, \$440 NM - Late: \$380 M, \$480 NM

Annual Accounting and Auditing Update

AUGUSTA	November 10	8 A&A	Event Code: 11023
COLUMBUS	November 11	8 A&A	Event Code: 11027
SAVANNAH	November 16	8 A&A	Event Code: 11040
GAINESVILLE	November 16	8 A&A	Event Code: 11039
JEKYLL ISLAND	November 17	8 A&A	Event Code: 11046
MACON	November 18	8 A&A	Event Code: 11047

Early: \$280 M, \$380 NM - Standard: \$340 M, \$440 NM - Late: \$380 M, \$480 NM



TAX

AICPA's Annual Federal Tax Update**

ALBANY	November 12	8 Tax	Event Code: 11030
ATHENS	November 17	8 Tax	Event Code: 11070
DALTON	December 3	8 Tax	Event Code: 12010
ATLANTA	December 13	8 Tax	Event Code: 12024
AUGUSTA	December 14	8 Tax	Event Code: 12032
COLUMBUS	December 14	8 Tax	Event Code: 12033
JEKYLL ISLAND	December 14	8 Tax	Event Code: 12043

Early: \$280 M, \$380 NM - Standard: \$340 M, \$440 NM - Late: \$380 M, \$480 NM

The Best Federal Tax Update Course by Surgent

ROME	December 13	8 Tax	Event Code: 12028
GAINESVILLE	December 14	8 Tax	Event Code: 12035

Early: \$280 M, \$380 NM - Standard: \$340 M, \$440 NM - Late: \$380 M, \$480 NM

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In Memoriam



- Larry E. Ashmore, Carrollton, Ga.
- Lawrence W. Earls, Kennesaw, Ga.
- Leland Ely, Soperton, Ga.
- Charles A. Goldgeier, Atlanta, Ga.
- Joseph E. Jordan, Jr., White Plains, Ga.
- Martin L. Karp, Savannah, Ga.
- James T. Kemp, Anniston, Ala.
- Leroy Kizer, Jr., Dalton, Ga.
- Herbert Kohn, Atlanta, Ga.
- Donald W. McClure, Byron, Ga.
- James L. McCown, Columbus, Ga.
- William J. Mulcahy, Atlanta, Ga.
- Guy G. Still, Brunswick, Ga.
- Ben Whittington, Armuchee, Ga.



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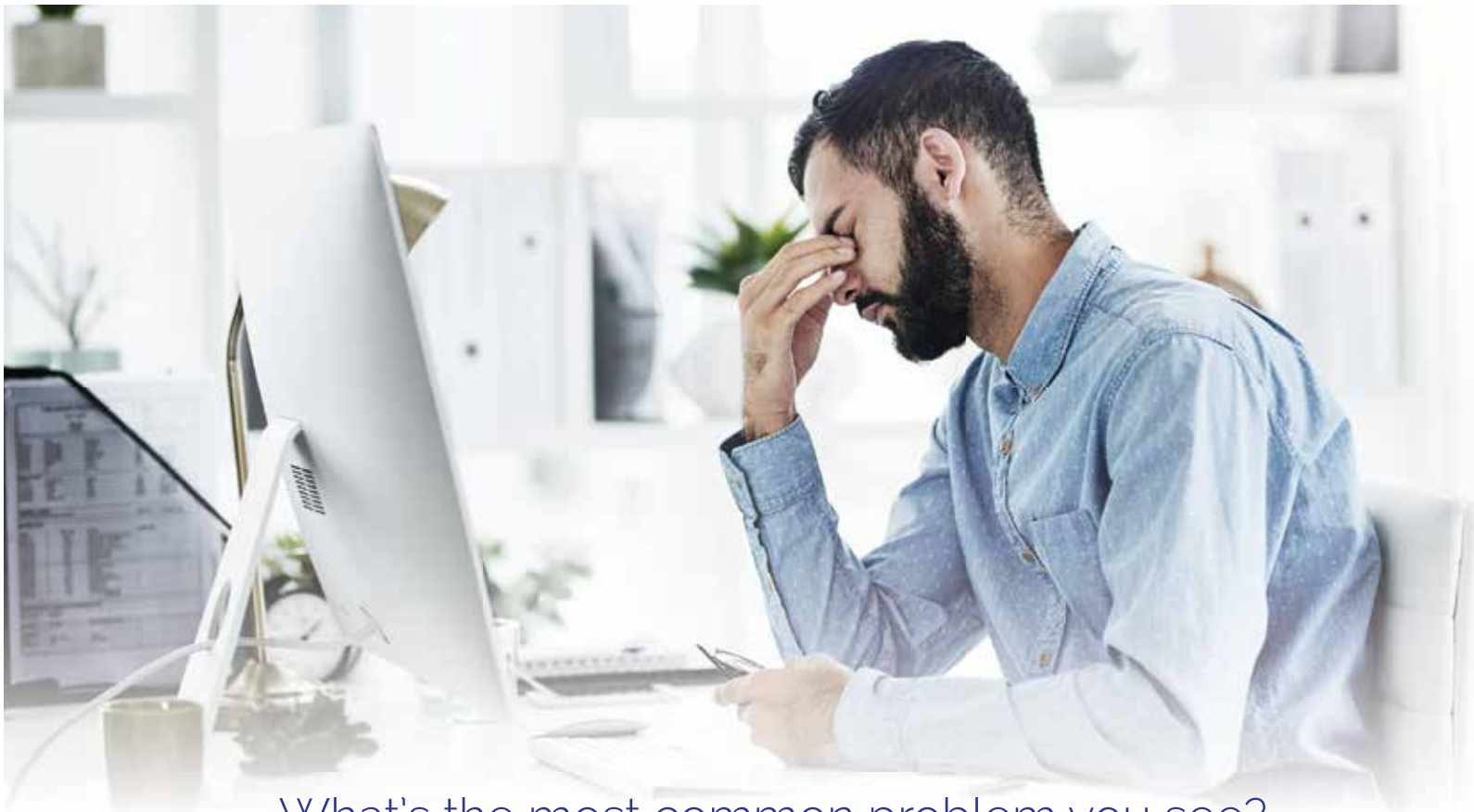
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Peer Review: Rea CPA Group PC – peer reviews for sole practitioners and small firms. We have the client base, technical skills, plus the understanding to help your firm. Years of peer review experience ensures efficient work on peer reviews. Contact Steve Rea, 770-455-8706 or Steve@reacpagroup.com. Thank you.

POSITIONS AVAILABLE

Accounting professionals in the tax, accounting and audit areas needed for rapidly expanding CPA firm with offices in Atlanta, Peachtree Corners and Marietta. The firm offers significant employee benefits, opportunities for advancement and a friendly work environment. We have opportunities for individuals with all levels of experience. A CPA license or progress toward certification is a definite plus. Take a step forward to advance your career by joining our team. Please respond to lori@frickecpa.com or call 770-216-2226.

OFFICE SPACE & ACQUISITIONS

Atlanta CPA firm with three metro Atlanta offices is seeking growth through the merger or acquisition of accounting/audit/ tax practices. We have successfully acquired numerous CPA practices over the prior 15 years including two in 2020. Owners of the acquired firm may choose to continue working both during and after the transition period. Although we serve the entire metro area and are interested in firms throughout, we are especially interested in firms in the Marietta area. We are also interested in acquiring practice segments such as tax, bookkeeping, or audit clients. Please respond to GSCPA File Box 456.



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- Central GA tax \$175K
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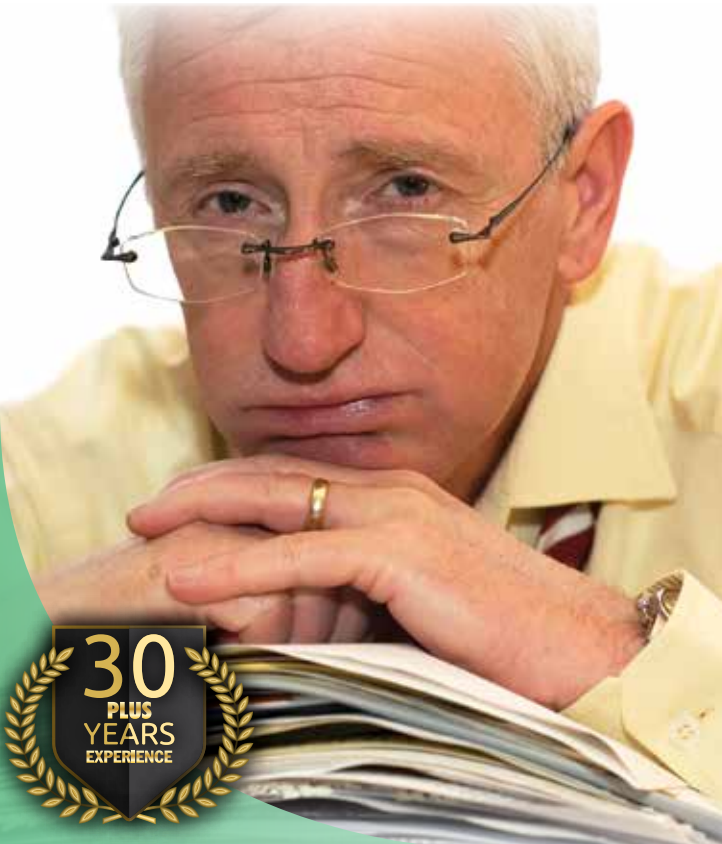


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ONLINE INSTRUCTIONS

- 1. Go to caselfstudy.gscpa.org.
- 2. Click on “Register Here” for the appropriate issue.
- 3. After registering, you will receive an email confirmation with a link to the self-study test. Look for “CURRENT ACCOUNTS SELF-STUDY TEST” in the body of the email.
- 4. Complete the test and click “Submit” when you are finished.
- 5. Print the confirmation page for your records.

PRINT INSTRUCTIONS

- 1. Detach this page from Current Accounts.
- 2. Take the test, recording your answers on the answer sheet by filling in the appropriate circle.
- 3. Complete the registration and payment information. Payment must be submitted with the test. Print clearly.
- 4. Email this page to the CPE Department at cpe@gscpa.org or mail this page along with your payment to:
The Georgia Society of CPAs
Current Accounts Self-Study Test
Six Concourse Parkway, Suite 800
Atlanta, GA 30328

PRICING

	Online	Print
Members	\$25	\$30
Nonmembers	\$50	\$60

TEST RESULTS

Upon completion of the test, your answers will be graded and within two business days you will either receive an Event Acknowledgement stating you passed the test along with certificate of attendance or an email stating you did not pass along with a link to retake the test.

QUESTIONS

If you have any questions about this test, please contact the CPE Department at 404-504-2985.

ATTRIBUTION

The self study test is developed and written by Lowell Mooney, CPA, Ph.D, professor of accounting at Georgia Southern University.

REGISTRATION INFORMATION

Full Name	Member #		
Company/Firm Name			
Address			
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MEET YOUR NEW CHAIR: TOM HARRISON, CPA

1. **New GSCPA Chair, Tom Harrison, enjoys all the following EXCEPT:**
- A. Mentoring young accounting professionals.
 - B. Fielding questions from his clients.
 - C. Seeing firm partners working in their office all weekend.
 - D. Getting off the grid.

2. **The article mentions that Harrison supports:**

- A. Continuing the Society’s D&I initiatives.
- B. The CPA Evolution.
- C. Finding ways to schedule work around important life events.
- D. All the above

WHERE ARE WE NOW? HOW CPA FIRMS ARE OPERATING AFTER MORE THAN A YEAR OF PANDEMIC LIFE

3. **According to Windham Brannon managing partner, Heidi LaMarca:**

- A. the firm has yet to ask people to return full time and expects a permanent hybrid model.
- B. the firm’s advisory group did not remain grounded for long and was back in the air by June 2020.
- C. the firm will likely lease less office space when it is time to renew.
- D. All the above.

4. **Tommy Jones, managing director of tax, estate planning and business valuations at Jones, Jones, Davis & Associates, took all the following steps during the pandemic EXCEPT:**

- A. On the advice of an infectious disease doctor, shuttered the firm’s doors in March 2020 and kept all employees home for an entire year.
- B. Found creative ways to serve clients such as using Facetime to close the sale of a dental practice.
- C. Took extra precautions to try to figure out how much stimulus money taxpayers received.
- D. Grew the practice during 2020 by seeking out new estate tax clients.

5. **Aprio managing partner, Richard Kopelman made all the following statements EXCEPT:**

- A. “We’ve proven that we can work remotely and still provide a great client experience.”
- B. “We’ve worked to keep the language and camaraderie going around our fundamentals.”
- C. “This year has been difficult, but we’ve been here together supporting each other.”
- D. “Servant leadership is more important now than ever before. We recognize we don’t have all of the answers, and we’re figuring it out together.”

TAX UPDATE CONSIDERATIONS ON RECENTLY ENACTED FEDERAL LEGISLATION

6. **The recently passed American Rescue Plan Act (ARPA):**
- A. Made significant changes to the Child and Dependent Care

Tax Credit (CDCC) for the 2021 tax year.

- B. Excludes up to a specified amount of unemployment compensation benefits from taxation for qualifying taxpayers.
- C. Allows "assistance-eligible individuals" to pay zero percent of COBRA premiums and receive a full subsidy that is excluded from the individual's gross income.
- D. All the above

7. **Which of the following was NOT part of the federal government’s response to the COVID-19 pandemic and its economic consequences?**

- A. State and local governments can receive significant financial resources for specified uses.
- B. Restaurants can obtain federal loans from the Restaurant Revitalization Fund provided they experienced a loss in revenue in 2020 compared to 2019 due to the pandemic.
- C. Taxpayers can take advantage of a temporary exception to the business-meal deduction limitation provided certain requirements are met.
- D. Employees may now be granted qualified paid sick leave for time spent obtaining a COVID-19 vaccine or recovering from COVID-19 vaccine side effects.

QUALITY: THE FOUNDATION OF A FIRM’S ACCOUNTING AND AUDITING PRACTICE

8. **The exposure draft recently issued by the Auditing Standards Board calls for all the following EXCEPT:**

- A. More robust leadership and governance requirements.
- B. Prohibiting engagement team members from performing an inspection of that engagement.
- C. A new risk-based approach to quality management systems.
- D. Permitting the engagement partner to date the engagement report before the engagement quality review is complete.

REPORT SHOWS SMALL BUSINESSES ON ROAD TO RECOVERY

9. **The QuickBooks report noted all the following EXCEPT:**

- A. Businesses in low-density, rural areas experienced a greater negative financial impact than those in the largest urban areas.
- B. Net bank deposits (excluding government grants and loans) provides the most complete picture of small business revenue.
- C. QuickBooks data reveals that even some of the hardest hit small businesses are experiencing a recovery one year later.
- D. Some of the worst-hit businesses were in the recreation industry.

WHAT TECHNOLOGIES WORK FOR CPA FIRMS?

10. **Which of the following predictions were made by the author?**

- A. Many firms will move from a technology suite solution to a best in breed solution for their technology needs.
- B. Your firm has software that you do not use to its fullest extent, or do not use frequently, or do not use at all.
- C. You will replace most of your firm's practice tools within the next five years.
- D. All the above

How the Pandemic Affected Higher Education: From Surviving to Thriving

by **PAULA Y. MOONEY, CPA, CFE, CGMA**

Please Note: The views and interpretations reflected below are those of the author and do not necessarily reflect an expression of opinion on the part of The Georgia Society of CPAs.

We can all say that life and work will not be the same after this pandemic, which is equally true for higher education. Although there were many challenges brought about by the COVID-19 shut down of face-to-face college classes, the global pandemic has transformed many facets of education. Some would say the pandemic advanced higher education by years if not a decade by forcing faculty to use technology to teach.

The Thursday before our 2020 spring began, the University System of Georgia (USG) announced we were "temporarily" suspending instruction for two weeks to allow time for the USG institutions to "test their business continuity plans and online instruction modules." So basically, while students enjoyed a two-week spring break, faculty were frantically trying to move their courses to an online format. I was teaching four different classes, none of which I had ever taught online before. Thank goodness I was at least using the online learning management system (LMS) within my courses. Some faculty had never used any technology in the classroom and were struggling to figure out how to teach without physically being present in a classroom of students. Although I was familiar with the online LMS, I still had to adjust my courses to integrate my assignments and adapt the grading to an online format.

Additionally, I needed to determine how I would deliver the course content I presented in class. The two-week temporary suspension transitioned to fully online classes. I was grateful that the USG decided to continue classes. Other institutions opted to shut down instruction entirely for the semester. I would describe the spring 2020 semester as a sleep-deprived, chaotic operation in "survival mode."

However, it soon became obvious we would have to do more than "survive" spring 2020; we would need to teach in this environment into the indefinite future. I decided to embrace the opportunity to discover creative ways to engage students and assess learning. Some

universities maintained a fully online environment, but ours offered a "hybrid" approach. The hybrid approach allowed a group of students to attend in person (masked and socially distanced) while the remainder of the class attended via a video conferencing platform like Zoom. The students attending in person rotated with the class days such that all students would have the opportunity to participate in person at least once every week or two. Student engagement on a video conferencing platform can be very challenging. Many of us can relate because we have participated in online CPE or conference calls and may be guilty of attempting to multi-task during the process. Students are no different. To keep students engaged, I tried many different ideas, such as requiring students to have cameras on and calling on those participating online and those in the classroom. To be a little more creative, I used break-out rooms, game-based learning platforms such as Kahoot!, discussion posts and virtual group projects to keep students engaged. Student engagement was and still is a challenge in online classes.

As difficult as it was for me to adjust and try new ideas, I knew it was equally challenging for the students. Many students had difficulty keeping up with online assignments and virtual learning. Solutions manuals and test banks can easily be found online and often are available to students at a much cheaper cost than their textbooks. Academic dishonesty has always been present, but given the ease and temptation to cheat and use outside resources under such a stressful environment, unfortunately, academic dishonesty cases increased.

Just as concerning was the decline in test scores in this online environment. Students admitted it was harder to learn the material online. They seemed more reluctant to ask questions in the online environment, and there was less in-person interaction after class. Students attempted to memorize readings instead of applying concepts. Online assignments were piling up for students, and for many, it was overwhelming. Early on, even some of my best students were missing deadlines. Following the research for teaching in an online environment, I used smaller assessments such as online homework, videos, quizzes, written papers, group projects, etc., to replace larger exams' pressure. Requiring repeating assignments



that occur regularly, like weekly homework and quizzes, with consistent due dates and predictability helped students establish routines and habits.

Students, like faculty, agree that the initial transition during Spring 2020 was difficult. The sense of being inundated with assignments seemed worse at the beginning, but it became more manageable as they adapted to the online environment. Even so, most students admit they still missed the in-person relationship building with professors and fellow students. It is harder to build relationships when you cannot read facial expressions behind masks, ask the professor questions after class, or share academic struggles with classmates in the halls. One student told me he felt lonely on his academic journey. Masks and social distancing were a significant inconvenience, and skipping classes became too convenient.

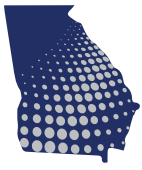
Despite the disadvantages, we managed to find some benefits to the virtual classroom. The pandemic has given students an appreciation of the act of going to class. The challenge of online courses taught students

self-discipline and has helped prepare some students for a fully online graduate program. The "hybrid" smaller groups in the classroom and starvation for personal interaction made it easier to get to know others, as well as the professor, when in the classroom. Watching recorded lectures made it easier to go back, watch the lecture again and pick up on missed concepts and notes during class. And almost every student appreciated the ability to wake up 15 minutes before class starts and be on time (i.e., not having to drive/walk to campus for early classes on cold mornings). Although most students may consider this an advantage, a few admitted it had impacted their time management skills, and now they struggle to be on time when they must get up, put on a complete outfit and drive to a destination.

Despite the challenges, most will agree that the learning environment has adapted and even improved in some respects. As we look forward to going back to the classroom in person this fall, some of us are still planning to use video conferencing, assessments and other things we have learned during this pandemic to enhance the learning environment of our students.



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