# CURRENTACCOUNTS THE GEORGIA SOCIETY OF CPAS

# Filling in the Blanks: *How Firms are Helping Clients Plan in the Wake of the Tax Cuts and Jobs Act*



# The Georgia Society of CPAs

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# **From First to Last**

# Boyd Search, CAE



I must admit, I have a competitive streak. I can find a competition in almost anything – sports, trivia, music, to name a few random things. As a result, I find myself constantly, almost obsessively, measuring everything. You've been trying to drink more water every

day? Okay, how much? I can match or beat that. Google Maps says we're going to reach our destination by 3:15? I can beat that, even if by a minute. And do not get me started on scoring in golf, a game I love, but one that I will spend my lifetime trying to best.

As with competition, we also tend to measure things in our lives. We take pictures of our newborns with signs at one month, two months, three months, and so on. How many of us have witnessed a first birthday celebration with a smash cake? The wonderful mess a one year old creates out of it serving as a symbolic passage into measuring years instead of months. Although, I do know some folks that would say they have a 34-month-old—you know who you are. We measure first days of pre-k, kindergarten, elementary, middle, and high school. These measurements in time offer us moments to reflect on life, to take stock of our growth and that of those around us, and to reconcile our successes and failures. They can also act as warning signs. This August we celebrated a first of last with our oldest daughter Abby, as she begins her senior year of high school. The first day of her last year. And a first of first, with our middle daughter Maddie, as she begins her high school career as a freshman. Our youngest Ellie, is a seventh grader, firmly in the middle of middle school. Many of you have had these exact same experiences with children, and some of you again with grandchildren, so you know while routine, and to some mundane, they can also shock the system.

What left me stunned and staring into space as I went to drive off the morning we sent them all back school was the notion that I have so very little time left with Abby as ours. In a year, she'll head off to college, and very quickly she'll belong as much to the world as she ever has to us. My time to impart any wisdom, or share lessons and experiences seems short. I understand the absurdity of that and that our relationship will go so far beyond high school. Yet, it's a point of measurement, and I had expectations for myself as a father that I worry I've fallen short of. Not because Abby isn't amazing; she's a kind, committed, and caring soul. It's because I'm a competitor and I know I'm fallible, my chance to be perfect for her in these years is running out.

And so starts yet another first to last. Doing all I can to make sure this senior year is for her, for us, all she wants it to be. So when we reach yet another first, I'll know I wasn't perfect, but will have competed at my best. TIMING MATTERS! Call or visit www.APS.net for a <u>free and confidential</u> valuation of your practice.



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# A Steady Pace Wins the Race

# Scott Collins, CPA



Bang. The race to the finish is on and the first mile is always the hardest. The opening to my year as chair of The Georgia Society of CPA's was no different. After my installation at the Annual Convention in Banff, Canada, I had a meeting with GSCPA CEO, Boyd Search. We reviewed the upcoming meeting dates for the Board of Directors, and it appeared to be a fairly

easy beginning to the race with a light agenda for our first meeting. This is how many race course descriptions are written up – flat and fast. Unfortunately, the race course is often not as flat as the organizers make it seem.

The first mile is usually the hardest for me in any race and that is an apt description of the first Board of Directors meeting. Originally, I was wondering how we were going to fill the time with what seemed to be a lack of substantive items. However, as I work my way to overcome the Crappy-First-Mile syndrome and deal with a myriad of constantly changing events, I quickly began to realize – we aren't going to have time to finish it all in one meeting.

In a race there can be stretches where the scenery doesn't seem to change, and then before you realize it, everything looks different. The same is true in our professional life. As CPAs, we need to stay aware of what is changing in all areas of our profession, from The Association (AICPA) to GSCPA, to the many government and regulatory agencies we interact with. Know that we have a dedicated, intelligent, and diverse group of leaders at the Society committed to making sure you can do just that.

As I am getting through the runner's wall and over this slight rise in the road (which is actually a major hill in the race going by what my body is telling me), I'm happy to report our board meeting was productive. We tackled several difficult issues. We fully recognize the potential of heavy clouds forming on the horizon and are preparing to guide GSCPA and its members through any potential rain. The key will be keeping our pace steady.

With coming general elections and the certainty of change at the highest levels of state leadership, how do we continue to position the profession as a go-to voice on business and tax issues? As the political climate continues to shift in Georgia, that question will become harder to answer. And speaking plainly, it's a question with a multitude of answers depending on various viewpoints. While we may have to slog thru some rain and mud, hopefully the lightning bolts will stay far away.

As the race continues I know the road will flatten out. Time will be spent on some of our most tried and true GSCPA initiatives, as we will conduct an in-depth review of The Educational Foundation's strategic plan. Ensuring its continued relevance and ability to thrive well into the future is our primary goal.

For now, it's time to put our physical and mental training to the test and get on with the race no matter what is thrown at us. I look forward to talking with members at various events across the state.

And as always, please remember the GSCPA PAC and The Educational Foundation need your support. Without you, the race becomes even harder. You can contribute to either of the organizations at www.gscpa.org.

# **Filling in the Blanks:** How Firms are Helping Clients Plan in the Wake of the Tax Cuts and Jobs Act



To the rest of the world, the passage of the Tax Cuts and Jobs Act (TCJA) was like crossing the finish line. But tax practitioners knew better. Nearly three-quarters of the way through 2018, they're still sifting through the effects because many regulations have yet to be released by the IRS. How are they helping clients prepare for the future when so many questions are still unanswered?.

#### **Getting Comfortable with Uncertainty**

Most firms didn't let any moss grow under their feet when it looked like tax reform was actually going to happen in late 2017: they proactively let clients know change was coming. The problem was, no one knew what that change was going to look like.

And then, of course, there was the media fanning the flames of panic, says Richard Wilcox, CPA, CFP, a partner at Carr, Riggs & Ingram, LLC. "Typically, the media picks out one or two things to focus on, and it's usually something bad because that's how they get their ratings." This time, he says, it was how the overall deduction for all state and local income taxes and property taxes is limited to \$10,000. "Every client heard that statement and freaked out that their taxes would be more," he says. "Soothing those fears has been a process."

Wilcox says the TCJA is going to impact every one of the firm's clients, and as a result, clients' anxiety levels have been high. "They hear things at cocktail parties and get nervous," he says, adding that most partners held seminars to help educate their clients. "We were out there trying to educate them from the beginning just to let them know what some of the major changes in the law were. Teaching it helped us understand it."

While many aspects of the law were cut and dried, Wilcox says a vast majority of the rules and definitions about what does and doesn't qualify is very subjective. "That's what makes our job fun," he says.

Wilcox adds that the law's passage at the end of the year was opportune. "It was right when we were starting to send out our organizers and get our data to do 2017 taxes." What he

discovered with the passage of the TCJA was that clients no longer wanted to mull over the prior year's taxes. "Because their 2017 taxes weren't impacted by the new law, they wanted to talk about how they will be affected going forward."

As a director with Windham Brannon in Atlanta, Denise Mummert, CPA, says they always try to have a lot of contact with clients well in advance to help with planning, but in the wake of the TCJA, client questions were pouring in before the firm could even reach out to everyone. "Everybody was very anxious about what was in the law," she says. "They had specific questions we couldn't, and still can't, answer. We explain the law is vague, and we're guessing at what might happen, but we're not certain about that right now. It's a key part of every discussion."

Dave Little, CPA, managing director of international tax for BDO in Atlanta, says while the TCJA was being drafted, the firm was constantly going through it to see how each draft changed from the prior one. "We had to keep figuring out what was in it," he says. "We looked at our clients and how it applied to them. We did our best to interpret."

#### **The Georgia Impact**

Bill Harshman, CPA, CGMA, founding member of Harshman & Company, LLC, says the firm had been watching, waiting, and doing a lot of reading prior to the passage of the TCJA. "There's a lot of interpretive guidance out there. You really need to pay attention so you're in a better position to respond quickly when we do get guidance."

One of Harshman's first concerns was the impact to their Georgia clients' tax liabilities. Georgia, like many other states, follows the federal tax rules. "When the TCJA changed the federal standard deduction, that had an impact in Georgia, but not the impact you'd think," he explains. "In Georgia, if you claim the federal standard deduction, you also have to claim the state standard deduction. We had to help the Georgia legislature understand what was going to happen to the Georgia taxpayer."

Blanks, continued on page 10

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# FEATURE

Ultimately, the legislators did double Georgia's standard deduction, but Harshman said most Georgians will see their tax bill go up under the new law. "We're now trying to advise clients that this may well happen and make sure they see us in early fall, so we can update their projections, not only for their federal taxes, but also for Georgia to ensure they're not surprised."

Harshman & Company began holding educational seminars in early 2018 after the bill was passed. "It has been good for us to see what questions are on people's minds," he says. "This all happened so fast. The tax changes in 1986 took place over two years. The TCJA took just two months."

The rush to pass the law meant there was little time for clarification. As a result, Harshman says it will take years for these inconsistencies to work themselves out. "Something is said one way in one section and reads differently in another section. They wrote the law very vaguely," he says. "It's understandable that people want to be aggressive with their taxes, but the IRS and our government doesn't want that. It's a constant battle. Nothing is cut and dried. This will take years, especially on the business side because it's open to so much interpretation."

#### Learning on the Fly

The IRS began issuing notices in early 2018, mostly for the repatriation and transition tax issues, Little says. "There was an immediate need because by statute, the first payment was due, and a quick turnaround was required. But we don't have guidance for some of the new provisions."

Without guidance, the January filing process was a tremendous challenge for large corporations and their accountants. Harshman says there may be earnings restatements when the guidance finally comes out.

Another big topic of discussion has been clients asking if they should switch from a C Corp to an S Corp and vice versa. With C Corp rates reduced dramatically under the TCJA, it generated a lot of new issues. "We've had a lot of interesting discussions and planning, so we can provide clients with the best possible tax situation," Wilcox says. "Overall, clients are hyper aware of what's happening with their taxes. They're asking, 'what should I do?' We have to tell them we still don't know. We're all in the process of helping clients adapt."

Mummert's practice is devoted to high net worth individuals with very complex returns. The firm's education efforts have extended to everyone in the firm. "Our staff and managers are getting questions," she says. "We took a deep dive into the new law very early on so all of our people would be conversant about what was in it." The staff split into teams, each headed by a manager. Each team took on a different section of the new law to dig into and then give a one-hour presentation to the tax department. "We're continuing to educate ourselves and accumulate resources," Mummert says. An electronic "binder" contains presentation materials amassed from attorneys and Big 4 firms. "Anyone can go in and look at a particular presentation to see what others say about a particular issue."

Mummert says she speaks repeatedly to clients about how the law is very vague and that clarification is still forthcoming. "We have more questions than answers in some areas," she says. "That means when advising our clients, we've had to make our best guess on what the law means."

Harshman said the firm is doing work for its individual clients by estimating their tax obligations but says the prevalence of identity theft has made that process even more challenging. ID thieves file early and claim a return before the taxpayer can. "If you overpay, you expect to get a refund. These days, that's a risky proposition because if you're one of the unfortunate victims of tax ID theft, you're not going to get your refund until the IRS sorts out which tax return is the real one. We've been trying to encourage clients to be more careful not to overpay for that reason and not underpay because of penalties."

#### Meeting Clients Where They Are

Reaction from clients has been across the board. "We have seen everything from 'tell me what all of this means' to 'I'm aware of what's happening and am doing my own modeling," Little says. BDO started by looking at provisions, notices, and articles and reached out to clients to help them determine how they might be



affected. "We wanted to let them know our current thoughts and that we are keeping an eye out for them." Little says they advised clients that IRS guidance wasn't to be expected until summer or fall, depending on the provisions. He says clients have taken the uncertainty in stride as best they can. The firm held one-on-one white board client meetings, writing up issues, brainstorming, and discussing the potential impacts.

Questions abounded about how the provisions would impact them: I'm in a partnership, but should I be a C Corp? How should I report this? Do I need a separate schedule? A new form?

"For months, we didn't know," Little says. "We're still dealing with those questions for certain provisions. With a lot of these changes, it's about understanding how they might impact things going forward. We're so used to the legacy rules we've had for so many years, so this is all pretty dramatic. A lot of us are attending more CPE events than normal to get up to speed on how clients will be impacted. It's exciting, but also challenging to understand and prepare for the future."

#### What Lies Ahead?

Harshman is remaining calm and hopes that transfers to his clients. "There's no point in getting them too excited yet," he says. "People are feeling some of the positive changes in the economy even though we may not be able to give solid advice. We're in a wait and see mode like a lot of people. When we get guidance, it's going to be busy."

It's also important to remember that it's early days yet. "We'll still be dealing with this law five to ten years down the road," Wilcox says. "There will still be discussion on all of these provisions for years to come."

The bottom line, Mummert says, is that the TCJA is continuing to evolve. "We're trying to get our people all at the same level of knowing what's in the law and how it would apply to our clients. We can't do client service if our staff aren't educated, too."

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**Natalie Rooney**, a freelance writer from Colorado, has been writing for state CPA societies for 15 years. She can be reached at nrooney@centurytel.net.

# The Fallout of a Sales Tax Case: Physical Presence is Outdated

Nadine Adams, CPA

# **The Supreme Court Decision**

On June 21, 2018 the Supreme Court ruled on South Dakota v. Wayfair, Inc. In its 5-4 decision, the Supreme Court overturned Quill and eliminated the long established standard that companies needed to have physical presence to have sufficient connection with a state before the state could make the company collect and remit sales taxes on its customers.

With Quill overturned what can the states do? The South Dakota law instituted clear safe harbor thresholds. It only applies to business selling \$100,000 of goods and services into the state or engage in at least 200 separate transactions for the delivery of goods into the state. The thresholds exempt business that have minimal contact with the state from collection and remittance requirements. Truly small businesses will not be burdened. However, given that the average online transaction is below \$100<sup>1</sup> in value, it's likely that many smaller businesses might still have to file with the state because of the transaction threshold even though the value of goods sold into the state will be well below the \$100,000 threshold.

The Supreme Court also noted favorably that the law prohibits retroactive application, giving businesses peace of mind about liabilities from prior periods. The South Dakota law is written in a way that it considers the prior calendar year for the thresholds. It is by no means clear what happens if a seller exceeds the thresholds in the current year and whether or not they have to go back and collect and remit sales taxes on prior transactions.

Lastly, the Supreme Court decided that because South Dakota is a member of the Streamlined Sales and Use Tax Agreement (SSUTA), filing and submitting sales tax withholdings and returns is greatly simplified. The Court even mentioned that the SSUTA provides free software to prepare sales tax returns, despite its limited availability and use. The Court's opinion with regards to the SSUTA was that it reduced administrative burden and compliance cost for remote sellers in filing the sales tax returns. While having one tax return filing and one single place to submit sales tax withholding per state does reduce the cost of compliance, the true cost will not necessarily lie with making a return filing.

#### **Change is Coming**

Since the Wayfair decision was announced in late June, states have been called into action with a flurry of activity – many even adopting similar laws to South Dakota well before the Court decision was finalized. Several states are still reviewing their current sales tax nexus rules and are issuing continued guidance in light of the decision. What is certain since the Supreme Court decision is that states that adopt the South Dakota thresholds (or higher thresholds), have laws that are not retroactive and are members of the SSUTA are well within the constitutionality of the Wayfair decision. It remains to be seen what happens if any state lowers the thresholds or if states that are not members of the SSUTA adopt similar nexus laws.

<sup>&#</sup>x27; https://www.statista.com/statistics/304929/us-online-shopping-or-der-value/



# **Next Steps for Businesses**

With all these changes what should businesses do next? The most important thing is to be proactive. Businesses should make sure that they have a good understanding of their sales footprint and that their systems can collect and organize relevant sales information. At a minimum, such information should include sales to customers by state and the number of transactions in each state.

The next step would be to become familiar with the laws of the state in which the business has sales. States may rely on the "old" physical presence standard or adopt a new economical nexus standard different from the South Dakota law. Again, it's important to note that even though the Supreme Court ruled South Dakota's law constitutional, it does not mean that all other states will adopt the exact same version of the law. It is also crucial to understand the taxability of the products being sold. Just because a product is taxable in one state, doesn't mean it will be taxable in the next.

With the knowledge of its sales footprint, state sales tax laws and the taxability of products, businesses should then develop compliance options. Considerations should include a cost/ benefit analysis of not only filing in states where nexus exists, but also pre-emptively in states where activities are increasing. Businesses that find themselves in a position where state filings have been missed, should watch for state guidance on voluntary disclosure programs (VDA) or sales tax amnesty programs. With the changes in legislation it is expected that a number of states will enact such programs to help businesses become compliant and remit sales tax going forward. Some additional considerations include if filings will be completed internally or outsourced.

# **Questions Remain**

With all these changes Congress has pretty much stood on the sideline and let the states have their day in court. Congress still has the ability to act under the Commerce Clause, but with several bills in both the House and Senate not having made any progress in recent years, it remains to be seen if the Wayfair decision will change the current inaction.

The decision will impact more than just sales of tangible goods. While the South Dakota law did not directly address sales of services, those may potentially also be impacted in states that choose to tax services. On the income tax side, the states have taken steps into economic nexus expansion for years and the Wayfair decision should further embolden states to become more aggressive.

**Nadine Adams, CPA,** senior tax manager, began her career with PKM in January of 2011, providing federal and state tax compliance services to community banks. Since joining PKM, her experience has expanded to providing tax services to both publicly-traded and privately-held multi-state financial institutions, insurance companies, and multi-state privately held manufacturing companies.

# **The 2018 Yellow Book**

Charlie Blanton, CPA

Recently, I was traveling down a rural highway that I had not journeyed on in many years. As I began to drive through one small town, my first reaction was that not much had changed over the past decade. The football stadium, fairgrounds, and Dairy Queen seemed frozen in time. However, I soon found myself behind a tractor, which caused me to slow down and look more closely. Only then did I notice all the changes that had occurred over the years. As you begin looking at the 2018 Yellow Book, you might have a comparable experience to my trip through that small town. For if you only make a quick pass through the standard, you might think that not much has changed, it is only when one slows down and looks more closely that the changes begin to emerge.

#### What Are We Talking About?

In July 2018, the GAO issued the 2018 Yellow Book which is available at www.gao.gov. The 2018 Yellow Book supersedes the 2011 Yellow Book and is effective for financial audits, attestation engagements, and reviews of financial statements for periods ending on or after June 30, 2020, and for performance audits beginning on or after July 1, 2019. Early implementation is not permitted.

# A New Format

The 2018 Yellow Book incorporates a new format that allows auditors to quickly distinguish the requirements from any application guidance. Under this format, requirements are differentiated from application guidance by borders surrounding the text. Auditors are required to understand the entire text of the applicable chapters of the 2018 Yellow Book.

#### Independence

The 2018 Yellow Book states that preparing financial statements in their entirety from a client-provided trial balance or underlying accounting records creates significant threats to auditors' independence, and auditors are required to document the threats and safeguards applied to eliminate and reduce threats to an acceptable level or decline to perform the service. Many will view this change as not being a significant change as in a 2011 AICPA Yellow Book independence practice aid the GAO expressed its view that, other than in very limited circumstances, preparing financial statements would generally result in a significant threat. However, the problem was that the GAO's view on this matter was expressed in a non-authoritative AICPA practice aid instead of the Yellow Book itself. By adding this specificity in the Yellow Book, the GAO is tightening the guidance in this area. Some additional thoughts regarding the 2018 Yellow Book and independence include:

- If an auditor only prepared certain line items or sections of the financial statements based on information in the trial balance they would still need to identify and address the threats posed.
- At least annually, audit organizations are required to obtain written affirmation of compliance with their policies and procedures on independence from all personnel required to be independent.

# CPE

While the 2018 Yellow Book generally retains the 24-hour and 56-hour CPE requirements from the 2011 Yellow Book, several adjustments are made to the requirements. Examples of these adjustments include:

- The 2018 Yellow Book clarifies that general ethics courses count towards the 56-hour CPE requirement.
- Under the 2018 Yellow Book, nonsupervisory auditors who charge less than 40 hours of their time annually to Yellow Book engagements may be exempted from the 24-hour and 56-hour Yellow Book CPE requirements.
- The 2018 Yellow Book provides that audit organizations may give auditors who have not completed the 80-hour CPE requirement for any 2-year period up to 2 months immediately following the 2-year period to make up the deficiency. Any hours completed toward a deficiency in one period cannot be counted toward the requirements for the next period.

#### Waste and Abuse

The 2018 Yellow Book adds new guidance related to waste, which it defines as the act of using or expending resources carelessly, extravagantly, or to no purpose. Importantly, waste can include activities that do not include abuse and does not necessarily involve a violation of law. Rather, waste relates primarily to mismanagement, inappropriate actions, and inadequate oversight. Examples of waste provided in the 2018 Yellow Book include: (1) making travel choices that are contrary to existing travel policies or are unnecessarily extravagant or expensive; and (2) making procurement or vendor selections that are contrary to existing policies or are unnecessarily extravagant or expensive. (Note: these two examples of waste were listed as examples of abuse in the 2011 Yellow Book.)

The 2011 Yellow Book discussed that findings in a financial audit may involve deficiencies in internal control; noncompliance with provisions of laws, regulations, contracts, and grant agreements; fraud; or abuse. The 2018 Yellow Book contains the same listing of findings except for abuse which is excluded from the list. The 2018 Yellow Book explains that evaluating internal control in a government environment may also include considering internal control deficiencies that result in waste or abuse but that auditors are not required to perform specific procedures to detect waste or abuse in financial audits. The 2018 Yellow Book goes on to say that auditors may consider whether and how to communicate such matters if they become aware of them.

# **Safe Travels**

As you begin your journey towards understanding the 2018 Yellow Book, slow down and take your time in identifying and processing the changes that you see. Doing so now will pay off handsomely in the future.

**Charlie Blanton, CPA** is the Sr. Director of Government & Nonprofit Content for Surgent CPE and author of the course The 2018 Yellow Book Revision. Charlie's email is blantonc@surgent.com.

# Do You Make These Five Mistakes When Asking for Something at Work?

And the one question you should ask yourself first.

# Courtney Kirschbaum

Most people think asking and getting (or not getting) are two sides of a discreet switch. But how skilled you are at executing your "ask" almost always plays a big part in the outcome. This is especially true at work, where trip wires of politics, implied power and competition lay everywhere. Not taking these into account can cause a blow up and demolish your chances of getting what you want before you've even posed the question.

Check that you're not making these five common mistakes and discover the one powerful question you must ask yourself before you ask anyone else for anything.

# #1: You're Waiting

Asking for more money, more vacation, a promotion or anything important to you, can be nerve wracking and thus easy to put off. Avoidance, delay or procrastination rarely help your cause. As soon as you know there's something wrong, missing or needed, start preparing to take action. You teach people how to treat you. For example, you're underpaid and let it go (and go and go) you're communicating that you accept it; a dangerous precedent that could be hard to reverse.

# #2: You Don't Have a Clear Case to Present

Failure to complete basic due diligence is the most direct route to a, "No." You may not need to deliver the entire case you prepare, but have it ready. If you're unprepared, the person you're asking is going to see that you didn't do your homework and you'll lose ground fast. Why? Because you took their valuable time to ask for their help, some justice or both and you didn't even show enough respect for them to show up prepared.

"Because ..." is not a reason and walking in and throwing yourself at someone's mercy, in most cases, is a short route to losing respect and credibility.

Consider: What does this person need to know? What can you foresee and take care of in advance – think research, paperwork, delegation. For example, if you're asking for an overseas transfer, do you know the company policies, the forms, the approvals needed? Get the information in advance and have answers to questions ready. You'll likely get, "I don't know the policy around that" or "I'll have to check with HR/ accounting/my boss." If you have answers ready, you'll make a powerful statement that you're committed and willing to work for it not just ask for it. There is a correlation between how hard you've worked and how hard they'll work for you.

# **#3: Are You Acting Entitled or Playing the Victim?**

Even if you're suffering an obvious injustice, don't play the victim. When you present your case, leave the live wire of injustice untouched. If you let your boss, supervisor, whomever, notice it all by themselves, they'll be more likely to fix it. If you make it about a "mistake" that needs "correcting," you're inadvertently pointing out that they let it happen. Nowhere are people more sensitive to their mistakes being pointed out than at work. That's a third rail.

# INDUSTRY



# #4: You Haven't Thought About Them or Anyone Else

Everyone, without exception, approaches each situation thinking, "How will this impact me?"

Do you know what stressors the person you're asking is experiencing that day? That week? If you're under the glass ceiling and want to ask for a raise, is your boss under that same glass ceiling? Asking for a promotion? When was your boss' last promotion? I'm not suggesting you let these things stop you, but be aware of and sensitive to needs and perspectives other than your own. Competition at work is real and even the best of teammates (and bosses) can be petty and jealous. When you succeed, everyone may not be gracious. Think through how getting what you want will impact others and wherever you can, use this information to craft a more considerate approach.

# **#5: You Don't Put It In Context**

Are you asking the right person? What was the last thing you asked for from this person? What do they ask for from you? Do you deliver? What will you do if you get what you ask for? What will you do if you don't? If you get this, does it mean someone else won't get it?

And finally, is what you're asking for what you really want or is it cloaking a bigger issue?

For what seemed like a long stretch in mid-career, I was underpaid. A change in leadership brought about a salary review and my pay was brought into parity. Naturally, I was happy, but it also had a surprising outcome. Getting my salary corrected had become my "white whale." I'd attributed everything that was wrong about my job to my low salary. Once it was fixed, I realized it wasn't the single source of my dissatisfaction. I resigned within the year. Our culture makes it easy for us to believe happiness is in getting the next thing you want. So, perhaps the most important element of asking for something is to be sure that getting it will give you the feelings and the experience you're expecting and not just fleeting relief from a greater pain.

**Courtney Kirschbaum** is a keynote speaker, career strategist and advocate. Her advice has been featured in Fast Company, CIO, and Business News Daily magazines. A TEDx speaker and award-winning presenter, she's inspired and empowered thousands to take control of their careers. She's the creator of Career Strategy Original Experience (www.originalexperience.com).

# Seven Reasons Why Cloud Hosting Services Are Important for Your Business

# Christophe Réglat

Last September, Deloitte was the target of a cyberattack that accessed data from a cloud-based email platform. Because of the company's information security strategy – a cohesive program of services and tools to protect its data and reduce the risk of data loss – only a few clients were impacted and there was no disruption to Deloitte's ability to continue business operations.

You don't have to be a multinational accounting organization like Deloitte to be vulnerable to cybercrime. In fact, the cybersecurity company Symantec found that 43 percent of such attacks worldwide targeted small businesses with less than 250 employees. Even more concerning, the U.S. National Cyber Security Alliance found that 60 percent of small companies were unable to sustain their business over six months following a cyberattack.

It's no wonder, then, that 93 percent of organizations are now using cloud services in some form and 80 percent expect their IT budget to be cloud-based within an average of 15 months.

Cloud hosting services are an alternative to on-site data centers and IT infrastructures and hosted by a third-party or external provider. These managed hosting service providers – also referred to as cloud providers – can offer partially hosted solutions for specific applications (like Thomson Reuters) or fully managed solutions.

Fully managed cloud hosting service providers offer many advantages to businesses of all sizes.

# 1. Security

The reality of computer viruses is frightening. An estimated 57 percent of all computers have some form of virus with 74,000 new viruses being generated every day.

Secure cloud hosting of your firm's software programs and data files greatly minimizes the threat of cybercrime. In addition, some cloud hosting providers also offer a secure portal for clients to connect and share information with your firm.

# 2. Compliancy

Using a cloud hosting service can eliminate the complexities involved in adhering to government and industry regulations. Accounting firms will want a cloud hosting provider that not only supports Service Organization Controls (SOC 1 and SOC 2), but also understands the details and demands of other regulatory compliances relevant to the financial industry, including the Gramm Leach Bliley Act, Sarbanes Oxley Act, Bank Secrecy Act and Payment Card Industry Data Security.

# **3. Business Continuity**

Business disruptions come in many forms, from wild fires and other natural disasters, to cyber-crimes. The impact of data loss or corruption can be costly and significant.

Florida CPA Dan Henn learned the value of cloud hosting services when Hurricane Irma made landfall last year as a Category 4 storm with 130 mph winds. His firm in coastal Brevard County had recently implemented a fully hosted IT infrastructure plan that secured his network data and made it

# Accounting and Auditing Conference

October 25, 2018 Event Code: 13035, LS13035 GSCPA Learning Center Atlanta, Ga.

Join GSCPA for the 2018 Accounting and Auditing Conference to increase your knowledge and comprehension of trends, challenges, and practices in the areas of accounting standards, fraud, data analytics, technology, and peer review. Discuss how critical changes affect your business and clients. Receive valuable insight from industry leaders while participating in idea exchanges with your peers.

To register: www.bit.ly/Audit-18 or call 800-330-8889, Opt. 3

# Business and Industry Conference

November 13-14, 2018 Event Code: 13045, LS13045 Cobb Energy Performing Arts Centre Atlanta, Ga.

CPAs in business and industry have unique skills that go beyond finance and accounting. You are helping create the financial health of your business. At the 2018 Business and Industry Conference, arm yourself with information and tools that will allow you to think fast, respond quickly, and be aware of the many changes that lie ahead.

To register: www.bit.ly/Industry-18 or call 800-330-8889, Opt. 3

# TECHNOLOGY

easily accessible. When the firm lost power for five days right before his clients had third quarter tax filings due on September 15, Dan and his staff were able to work remotely from their homes and other locations that did not lose power.

# 4. Mobility

We live in a mobile world that has transformed the way people do business. Mobility can enhance productivity, communication and workforce flexibility.

Cloud solutions provide an in-office desktop experience – including software, apps, files and permissions – that allow CPAs to securely perform remote accounting and tax services from any device that connects to the Internet.

# 5. Cost and Efficiency

Maintaining an onsite server can divert money and human resources away from other parts of a business that produce revenue growth.

Cloud hosting reduces IT costs by curbing the demands of maintaining an IT infrastructure and eliminating the significant capital expenses for hardware upgrades.

# 6. Scalability

An accounting firm's workforce and IT requirements often fluctuate in size and seasons. A cloud hosting service offers network scalability that can be tailored to a business's changing requirements. IT resources (hardware and software) and network users can be added or removed from the network without wasted investment or time to scale.

# 7. Ease of Implementation

With the right provider, the transition from your current infrastructure to a fully managed cloud hosting service should be efficient and seamless. You'll want a provider who can build your new system to replicate your current one as closely as possible. When your firm moves to the new system, workflow disruption and your staff's learning curve should be as minimal as possible.

# Conclusion

Cloud hosting services provide a secure, reliable and remote connection to your IT infrastructure and data. Optimally, you want a company that provides:

- Fully managed data hosting, meaning data plus applications, environment, emails and security.
- A single (not co-located) protected infrastructure. There is peace of mind that comes with knowing that damage to your company's office, or other disruptions, will not impact the ability to access your protected data or your employees' ability to do their jobs.
- Data access without limitations, other than an Internet connection. Employees can log in – often through a web portal or downloadable application – and access all of your company's environment from anywhere in the world.

"Cloud Vision 2020: The Future of the Cloud" recently surveyed industry influencers who predict that 83 percent of enterprise workloads will be in the cloud by 2020.

These seven features of cloud hosting services are a good starting point for any business considering how to plan their resources and business strategies for migrating to a cloudbased IT infrastructure.

**Christophe Réglat** is president and CEO of Coaxis International, an Annual Platinum Partner of GSCPA. Coaxis provides CPA firms with a fully-hosted and managed network solution designed to remove the complexities of federal and industry compliances, curb the demands of maintaining an IT infrastructure, and greatly minimize the threat of cybercrime. For more information, call 850-391-1022 or email lisa.bryant@coaxissolutions.com.



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Daniel Henn CPA, PA Rockledge, FL

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# What Speech is Protected in the Workplace?

# Emily Franchi

Can employees really say what they want about what they believe when they're at work? After all, it is a free country, right? The answer is yes. And no.

Many employees believe their right to free speech under the First Amendment protects them from adverse employment actions taken against them when they speak their mind about personal beliefs (such as religious beliefs, political beliefs, etc.) in the workplace. While the First Amendment does protect a person's freedom of speech, the protection is to prevent the government from suppressing a person's right of speech or restricting what a person can or cannot say in a public forum. Unless the government is the employee's employer, the First Amendment does not apply the same way in a work environment.

An employer does have the right to ask employees to focus on their work while in the office and to refrain from discussion that could lead to an emotionally charged conversation. Employers should be careful, though, to apply the rules uniformly and not favor one employee and his or her opinion or beliefs over another. Discrimination based on religion or political affiliation is illegal, but an employer always has the right to request that employees refrain from discussion that is not appropriate in the workplace. Employers also have the right to require employees to remain civil toward each other, and conversations about politics or religion can often spark an argument or a heated discussion.

# **NLRA-Protected Activity**

Employees are free to discuss wages, working hours and conditions with co-workers, as those types of conversations are considered protected activity, not under the First Amendment, but rather under the National Labor Relations Act (NLRA). Employees should be able to participate in such conversations without the fear of retaliation, provided they are not bullying, harassing or discriminating against one another in the course of their discussions, and they are engaging in "concerted activities" for their "mutual aid or protection." Employees participating in these conversations should be mindful to avoid suggesting that they are speaking on behalf of others.

Imagine a situation in which a CPA firm employee found a spreadsheet on the copier with information relating to post-tax season bonus payments. Understandably, he would be upset if he realized that his co-worker, who had far less seniority and had consistently not worked the extra hours that season, earned a substantially higher bonus. Suppose that he shared the confidential payroll information with others in his department and then took to his Facebook page, claiming that the firm had unfair pay practices and that the partners had allowed the higher bonus because his co-worker had engaged in an affair with one of the married partners. Finally, suppose that he shared the information on the firm's Facebook page.

Suppose that, while this incident ultimately resulted in the firm revising its bonus payout criteria, the firm also

# HUMAN RESOURCES



terminated the employee. If so, he would not have been terminated for raising the issue, but rather for how he went about it, for making unauthorized edits to the firm's Facebook page when he did not have administrator rights. Therefore, the NLRA would not have offered protection for his behavior. Had he stopped at sharing the information with other employees and then approached management as a group, his actions would have been protected under the NLRA.

# The Google Case: Protected or Harmful Speech?

Just this past summer, an engineer for Google was fired for expressing his beliefs about women in the tech world. After he posted a 3,000-word memo titled, "Google's Ideological Echo Chamber" on a company internal meme network, Google's response clearly expressed that the opinions of the employee did not mirror those of the company and were completely against the ideology supported by Google. Regardless, the question remains: Did the employee have the right to share his beliefs with the entire organization? There are those who believe that the memo highlighted the concerns the employee had about Google's diversity program, which he thought resulted in exclusion versus inclusion, and ultimately reverse discrimination. Let's not forget that the NLRA provides protection for employees participating in conversations about wages, hours and working conditions, provided the conversations are for "mutual aid or protection." Certainly, in this case, one could argue that this employee's concerns about reverse discrimination could very well fall into that category.

Ultimately, the tech giant terminated him for crossing the line by advancing harmful gender stereotypes. In January, the engineer filed a class action lawsuit against Google, claiming the company unfairly discriminates against white, conservative men. Employers should note how this case plays out, since the decision may have wide ranging implications on employee speech in the workplace. Staying ahead of the game is critical. Creating policies that outline boundaries is paramount, and more importantly, it's imperative that management "walk the walk" and model appropriate workplace behavior.

**Emily Franchi** is a loss prevention specialist for employment practices with CAMICO (www.camico.com). She provides CAMICO firms that have Employment Practices Liability coverage with support on a variety of human resources management issues, focusing on employee relations and legislative compliance for the workplace. Franchi works with firms to reduce exposure to potential employment practices claims, and she provides education and assistance in creating professional work environments.





# Members Escaped to the Heart of the Canadian Rockies at the 2018 Annual Convention

The mountain air of the Canadian Rockies and unique views of the Rimrock Resort Hotel welcomed about 125 CPAs, family and friends for the 2018 Annual Convention.

Attendees had the opportunity to network with one another during the once in a lifetime Opening Reception and Dinner on Sunday evening by riding the Banff gondola to over 7,400 feet above sea level and enjoying views from the private third floor. CPAs earned up to 13.5 hours of CPE on topics such as professional issues, new tax laws, and technology.

The Annual Business Meeting on Tuesday signaled the change in leadership with Rodney Chandler passing the gavel to Scott Collins to start the new governance year. During the meeting, the Distinguished Member award was presented to Art Auerbach, CPA. New board members and council members-at-large were officially elected and attendees received an update about the various initiatives that had taken place over the last year and what to look forward to in the upcoming year.

Tuesday evening, guests enjoyed a cocktail hour before the Chair's dinner honoring Rodney Chandler. As the cocktail hour was winding down, guests reconvened in the ballroom for a delightful dinner and presentation. During the Chair's Banquet, Rodney was celebrated for his service during his year as chair of the Society.

It was an exciting convention for CPAs and their families and GSCPA hopes you will join us June 16-19, 2019 at the historic Mills House in Charleston, South Carolina.





"As I think back on this year's Annual Convention, I can't help but smile as I reminisce about the breathtaking views of the Canadian Rocky Mountains and the camaraderie I experienced with other Society members. In addition to providing engaging continuing education and networking opportunities, the convention offered exciting adventures that my family could enjoy. The Annual Convention has become a highly anticipated tradition for my family, and I hope you will make plans to join us next year in Charleston, SC." *Kathryn Fletcher, CPA* 





# SAVE THE DATE FOR 2019 ANNUAL CONVENTION

*June 16-19, 2019* The Mills House Charleston, South Carolina



# Help Us Help You!

At GSCPA our number one priority is serving our members. And we need your help! As a member of the profession, you are familiar with the needs of CPAs in our state—and you probably have some fantastic ideas about how current needs can be better met and how to best anticipate and prepare for future needs in an ever-changing environment.

A great way to help shape GSCPA policy and programming is to serve on one of our committees, task forces, advisory councils, or chapter officer roles. A variety of opportunities are available, for those who can give only a small amount of time, as well as those who can give more. With many meetings held via teleconference, we make it easy for members throughout the state to participate. If you are interested in possibly serving the Society at a higher-level governance capacity in the future, membership on a committee, task force, advisory council, or serving as a chapter officer, is a great place to start.

Serving in a GSCPA volunteer capacity is also a good way to network with professional colleagues and to learn from the inside about the operation of a statewide 501C-6 nonprofit organization. Share ideas and best practices and further your professional development.

GSCPA has a committee to suit almost any interest and skill set. If you are thinking about volunteering for a specific committee but would like more information, we can put you in touch with the staff liaison to, or a current member of, that committee.

If you are interested in learning more about the Society's volunteer opportunities, please visit our website at www.gscpa.org/ content/volunteer.aspx and fill out a volunteer interest profile. If you have further questions, contact Missy Ureda, manager, member relations at mureda@gscpa.org.

# **Connect With Us on Social Media!**

Want to stay connected to GSCPA? Follow us on our social media channels! Each account brings you content specifically curated for that social media platform.



#### bit.ly/GSCPALinkedIn

Stay current with the society and the profession through our LinkedIn page. As a GSCPA member you may also sign up for our LinkedIn interest communities where you can get updates on members only news articles and connect with peers.



# bit.ly/GSCPAFacebook

The Georgia Society of CPAs Facebook page features member news and event news with photos and videos.



#### instagram.com/gscpa

Want a behind-the-scenes look at a GSCPA event or know what's going on at our office? Follow our Instagram account for a backstage pass!



#### twitter.com/GSCPA

Our Twitter stream features articles from GSCPA and other media outlets regarding the profession to help you stay up-to-date.



#### bit.ly/GSCPAYouTube

GSCPA Studios brings you videos of events, one-onone interviews with experts and special messages from GSCPA leaders.

# SOCIETY NEWS

# Georgia Tax Forum Atlanta

November 1-2, 2018 Cobb Galleria Centre, Atlanta Event Code: 13065 | DLS13065 www.bit.ly/TFAtl18

# Georgia Tax Forum Savannah

November 29-30, 2018 Coastal Georgi<mark>a Center, Savannah</mark> Event Code: 13060 www.bit.ly/TFSavl18

The Georgia Tax Forums provide you with the knowledge and skills you need to survive the upcoming tax season. Georgia's leading taxation event brings you the most up-to-date information on changes in tax law that impact your clients.





GSCPA is taking a road trip and bringing Clusters to you for 2018. Choose from five locations across Georgia throughout the year.

GSCPA Clusters give you the opportunity to design your own unique education series and earn up to 16 hours of CPE credit by mixing morning and afternoon 4-hour sessions.

During this two-day event you can choose sessions from one track or mix-and-match across multiple tracks for a variety of topics.

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# For more information, visit clusters.gscpa.org

Macon September 20-21, 2018 Cunningham Center, Central Georgia Technical College

> **Savannah** October 25-26, 2018 Coastal Georgia Center

Dalton November 12-13, 2018 Dalton Convention Center

Atlanta November 27-28, 2018 GSCPA Learning Center

# **Current Accounts Self-Study**

The self-study tests in the back of every issue of *Current Accounts* are a quick and easy way to earn two hours of CPE, and each test is available for two years.

The September/October 2016 self-study test will be available until October 31, 2018. Take each test as you receive the issue or wait and take them all at one time. For more information on how to take a test, see page 32.

September/October 2017 - Self-Study Test # CA70910 November/December 2017 - Self-Study Test # CA71112 January/February 2018 - Self-Study Test # CA80102 March/April 2018 - Self-Study Test # CA80304 May/June 2018 - Self-Study Test # CA80506



he Georgia Society (76%) September/October

2018 Issue > Self-Study Test # CA80910



< July/August 2018 Issue

Self-Study Test # CA80708

# **Upcoming Live Streams**

Make time this spring for meeting your CPE requirements and staying up-to-date on the latest hot topics in your area of interest.

SOCIETY NEWS

Integrating Audit Data Analytics into the Audit Process\*\* September 19, 2018 | Event Code: LS09002 | 8 General

Don Farmer's Maximizing the 20% Deduction Under 199A (NEW) September 21, 2018 | Event Code: LS09021 | 8 General

The Essential Course for Preparing Not-for-Profit Financial Statements (New Guidelines) (YB) September 24, 2018 | Event Code: LS09003 | 8 General

K2's Small Business Internal Controls, Security, and Fraud Prevention & Detection September 24, 2018 | Event Code: LS09004 | 8 General

K2's Excel Data Magic, Including Advanced PivotTables and Power Pivot September 25, 2018 | Event Code: LS09005 | 8 General

Applying the Uniform Guidance in Your Single Audits (YB)\*\* September 26, 2018 | Event Code: LS09006 | 8 General

K2's Budgeting and Forecasting Tools and Techniques September 26, 2018 | Event Code: LS09007 | 8 General

The Tax Cuts and Jobs Act: A Guide to the Most Sweeping Tax Reform in Over 30 Years October 22, 2018 | Event Code: LS10011 | 4 General

Understanding Section 199A: The 20% Deduction for Pass-Through Entity Owners and Investors in Real Estate October 22, 2018 | Event Code: LS10012 | 4 General

The 2018 Yellow Book Revision October 22, 2018 | Event Code: LS10035 | 4 General

Latest Developments in Government and Nonprofit Accounting October 22, 2018 | Event Code: LS10036 | 4 General

Restaurant Accounting and Controls October 23, 2018 | Event Code: LS10013 | 8 General

Advanced Critical Tax Issues for S Corporations (CFP) October 23, 2018 | Event Code: LS10014 | 8 General

Advanced Topics in a Single Audit (YB)\*\* October 29, 2018 | Event Code: LS10020 | 8 General

Analytics and Big Data for Accountants\*\* October 31, 2018 | Event Code: LS10026 | 8 General

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# **BUSINESS SERVICES**

Business Valuations: Formal appraisals for Attorneys/CPAs/ Clients. Areas: Equity Compensation (IRC 409a / ASC 718), Estate & Gift (FLPs), Financial Reporting (Impairment Testing, Purchase Price Allocations), S-Corp. Conversions (built-in-gain tax), M&A, Marital Dissolution, Shareholder Disputes, Exit/ Succession Planning.

Contact David H. Hern, CPA/ABV, ASA, Alvarez & Marsal Valuation Services, LLC, 770-776-8852, DHern@alvarezandmarsal.com

Peer Review: Kilpatrick, Rea & Associates, CPA, PC Peer reviews for sole practitioners and small firms. We have the client base, technical skills, plus the understanding, to help your firm. Fifteen years of peer review experience with 150 firms ensures efficient work on engagement reviews. Contact Steven Rea, Crescent Centre, Tucker. 770-455-8706 or steve@kilpatrickcpa.com, www.kilpatrickcpa.com.

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IRS and state taxpayer representation. Tax Attorney & CPA available to consult with your firm or your clients on IRS and state tax matters. Audit, appeal, collection or criminal matters including offers in compromise, offshore voluntary disclosures/ foreign bank account and asset cases, bankruptcy discharge of tax and non-filers. Practicing in Atlanta since 1982. Call Jeffrey S. Gartzman, The Gartzman Law Firm, PC; 770-939-7710; jeff@gartzmantaxlaw.com. Selling your practice? Learn more about Poe Group's incredible marketing system and unique process, The Seamless Succession<sup>™</sup> to help you get top dollar. Please watch our video by visiting www.poegroupadvisors.com/sellvideo

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# **POSITIONS AVAILABLE**

NE Atlanta firm has partnership opportunity for solepractitioner or small firm to replace retirement-minded partner. Ideal person(s) has a client base of \$150 to \$250 thousand. Please provide resume', summary of practice, and contact information and respond to GSCPA File Box 127.

Accounting/Audit manager/partner or CPA firm needed to manage and grow our audit practice. Our firm, located in the Roswell/Sandy Springs area with a staff of 26, currently performs approximately 25 to 30 audits. This is an ideal situation for a current audit/accounting manager, sole practitioner or small audit firm that would like to merge into a larger practice. Candidate should have audit experience at the partner or manager level. It is preferred, but not required, that you have a client base which can be brought into the firm. Please respond to: Lori@frickecpa.com or 770-216-2226.

Managers/supervisors in the tax, audit & accounting areas needed for rapidly expanding CPA firm in the Roswell/Sandy Springs area with a second office in Marietta. Positions require supervisory/review skills and extensive interaction with both staff, clients and partners. Significant opportunity for advancement. Please respond to lori@frickecpa.com or 770-216-2226.

Fayette County full-service CPA firm seeks Certified Public Accountant with minimum of five years of experience in income tax preparation, audits, reviews, accounting and tax representation (collection, etc.) Position has partner potential. Would consider buy-in/or merger with smaller CPA firm with minimum of \$100,000 plus in annual gross re venues. Current owner wishes to retire within the next 2 to 3 years. Competitive salary and benefits. Please respond to Bill: wbrumlow@ brumlowandcompany.com or call at 770-996-2055. Part Time Tax Professional Needed. Experienced tax professional needed for part time work. Flexible schedule. 10-30 hours per week. We are located in Dawsonville near GA 400. Email Tim Couch at tim@timcouchcpa.com or call 706-216-1044.

Sole Practitioner, NW ATL near 75/285, seeks merger to facilitate retirement within the next few years. Client base consists of high net worth individuals and small businesses. No attest level financials. Contact nwatlcpa@gmail.com if interested in discussing.

# **OFFICE SPACE/ACQUISITIONS**

Atlanta CPA firm is seeking growth through the merger and acquisition of accounting/audit/tax practices. We have successfully acquired numerous CPA practices over the prior 15 years. Owners of the acquired firm may choose to continue working during and after the transition period. 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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# SEPT/OCT 2018 | TEST NO. CA80910

How do you earn a quick two hours of CPE? Take the self-study test provided in each issue of *Current Accounts.* Simply answer the 10 questions based on content in *Current Accounts* and submit your answers to GSCPA. Receive a grade of 70% or better and earn two hours of CPE credit.

\*Please Note: All Current Accounts self-study tests are available for two years from the issue date.

# PRICING

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

# **ONLINE INSTRUCTIONS**

- 1. Go to caselfstudy.gscpa.org.
- 2. Click on "Register Here" for the appropriate issue.
- 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 the test insert from Current Accounts.
- 2. Take the test, recording your answers on the answer sheet by filling in the appropriate circle.
- Complete the registration and payment information.
   Payment must be submitted with the test. Print clearly.
- Mail this page, along with your payment, in an envelope to: The Georgia Society of CPAs Current Accounts Self-Study Test Six Concourse Parkway, Suite 800 Atlanta, GA 30328
  - OR email to the CPE Department at cpe@gscpa.org

# **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.

ANSWER SHEET	
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1. <i>(a) (b) (c) (d)</i>	6. <i>(i) (b) (c) (d)</i>
2. (a) (b) (C) (d)	7. (2) (b) (c) (d)
3. ( <i>a</i> ) ( <i>b</i> ) ( <i>c</i> ) ( <i>d</i> )	8. Ø b C d
4. ( <i>a</i> ) ( <i>b</i> ) ( <i>c</i> ) ( <i>d</i> )	9. Ø b C d
5. @ (b) (C) (d)	10. <i>(i) (b) (c) (d)</i>

# **REGISTRATION INFORMATION**

Full Name		Member #	
Company/Firm N	ame		
Address			
City	State	Zip	

# Phone

Email

# **PAYMENT INFORMATION**

□ Check for \$\_\_\_\_ made payable to The Georgia Society of CPAs

Amount to charge to credit card \$\_\_\_\_\_
 Discover MC AmEx Visa

Personal OR Company Card

Card Number

Exp. Date

Name as it appears on card

Signature

# ATTRIBUTION

The Self-Study Test is developed and written by Lowell Mooney, Ph.D., CPA, professor of accounting at Georgia Southern University.

# Filling in the Blanks: How Firms are Helping Clients Plan in the Wake of the Tax Cuts and Jobs Act

#### 1. The author mentioned several best practices in the article, including:

A. We have a lot of contact with clients well in advance to help with planning

B. We were out there trying to educate them from the beginning and responded quickly when we got guidance

C. We looked at our clients and how the law applied to them and did our best to interpret

D. All of the above

# 2. Which of the following was NOT mentioned as an issue of concern voiced by taxpayers regarding the TCJA?

A. Local (municipal) income taxes

B. Standard deduction

C. C Corp vs. S Corp

D. Identity theft

#### The Fallout of a Sales Tax Case – Physical Presence is Outdated

# 3. Select the CORRECT statement concerning the Supreme Court's decision in South Dakota v. Wayfair.

A. The decision only applies to businesses selling \$100,000 of goods and services into the state or engaging in at least 200 separate transactions for the delivery of goods into the state.

B. The decision included support for prohibiting retroactive application, giving businesses peace of mind about liabilities from prior periods.
C. The court considered the implementation costs to businesses by noting that free software from the Streamlined Sales and Use Tax Agreement (SSUTA) greatly simplifies filing and submitting sales tax withholdings and returns.

D. All of the above

# 4. The author recommended that businesses take specific steps in light of the Wayfair decision. Which of the following was NOT recommended?

A. Ensure sales systems can collect and organize relevant sales information by state and the number of transactions in each state B. Reduce the number of states in which sales are made in order to control compliance costs

C. Become familiar with the laws of each state in which the business has sales

D. Understand the taxability of the products being sold since just because a product is taxable in one state, doesn't mean it will be taxable in the next

#### The 2018 Yellow Book

#### 5. Which of the following does not describe a difference between the 2011 Yellow Book and the new 2018 Yellow Book??

A. It's easier to identify audit requirements in the 2018 book because they are differentiated from guidance by borders surrounding the text. B. The 2018 Yellow Book requirement that preparing financial statements in their entirety from a client-provided trial balance creates significant threats to auditors' independence and that auditors are required to document the threats and safeguards applied to eliminate and reduce threats was merely guidance provided by the GAO in a non-authoritative AICPA practice aid instead of being required in the 2011 Yellow Book itself.

C. Unlike the 2011 Yellow Book, the 2018 Yellow Book makes it mandatory that auditors perform specific procedures to detect both waste and abuse in all financial audits.

D. Relative to the 2011 Yellow Book, the 2018 Yellow Book includes a broader definition of the term "waste". For example, the 2018 book includes in its definition of waste, actions that were considered abuse in the 2011 book.

# 6. Select the INCORRECT statement concerning the CPE requirements contained in the 2018 Yellow Book.

A. The new book generally retains the 24-hour and 56-hour CPE requirements.
B. General ethics courses no longer count towards the 56-hour CPE requirement.
C. Nonsupervisory auditors who charge less than 40 hours of their time annually to Yellow Book engagements may be exempted from the 24-hour and 56-hour CPE requirements.

D. Auditors who have not completed the 80-hour CPE requirement for any 2-year period now have up to 2 months immediately following the 2-year period to make up the deficiency.

#### Do You Make These Five Mistakes When Asking for Something at Work?

7. When you ask another person for something, it can be as much about the other person as it is about you. Which of the following was not mentioned in the article?

A. Rather than overtly stating that you are underpaid relative to your peers, for example, you should work toward helping your boss notice it all by him-orherself.

B. There is a correlation between how hard you've worked to prepare your ask and how hard they'll work to grant your request.

C. Be aware of and sensitive to the needs and perspectives of the person to whom you are making your request.

D. If you make your ask about a "mistake" involving the way you've been treated that needs "correcting," you will have the best chance of getting what you want.

# 8. When asking for something at work, which of the following was not a tenet offered by the author?

- A. Ask and you shall receive.
- B. Happiness is not always getting the next thing you want.
- C. "Because ..." is not a good reason.
- D. Failure to complete basic due diligence is the most direct route to a "No."

#### Seven Reasons Why Cloud Hosting Services Are Important for Your Business

# 9. Which of the following is the LEAST important consideration when deciding to use a cloud hosting service?

A. 43 percent of cyber-attacks worldwide targeted small businesses with less than 250 employees.

B. An Internet connection is required to access cloud hosting services.

C. 57 percent of all computers have some form of virus with 74,000 new viruses being generated every day.

D. The time and expense of remaining compliant with constantly changing government and industry regulations.

#### What Speech is Protected in the Workplace?

10. Jill, who works remotely, is disgruntled because during busy season the firm brings in a masseuse and free food for the staff who work in the office. She decides to send an email to all remote employees urging them to demand additional compensation equal to the value of the services provided to the office employees. Select the CORRECT statement from the following.

A. She can complain to her supervisor but she could be terminated for discussing her beef with the other remote employees.

B. Jill has no protection because she is a remote employee.

C. Jill's action is actually protected by the National Labor Relations Act instead of the First Amendment.

D. Jill's complaints to her fellow employees would not have been protected if she had telephoned the other remote employees instead of e-mailing them.

# **Member News**

# **PROMOTIONS & NEW POSITIONS**

**Bennett Thrasher LLP** has promoted the following directors to partner: **Chris Frederick**, **CPA** and **Gina Miller**, **CPA**.

Moore Colson recently announced the hiring of Tyler Wright, CPA, ABV, CFF, CFE, as consulting senior manager.

Antares Group, Inc. is pleased to announce that Nina Daigle, CPA, and Lindsey Pierce, CPA, have been promoted to partner with the firm.

**Smith & Howard** is excited to announce on January 1, 2019, **Sean Taylor** will assume the role of managing partner.

Warren Averett, CPAs and Advisors is pleased to announce the following promotions in the Atlanta office: Sarah Bohman, CPA to manager; Dana Canterbury, CPA to senior manager; Adam Repasy, CPA to manager. In addition, the firm recently welcomed Tax Principal, Elizabeth Powell, CPA and Audit Senior Manager, Jennifer Williams, CPA to the Atlanta office.

Robinson, Grimes & Company, PC is pleased to announce the promotion of the following people to partner: Jenna Kaye Favors, CPA; William A. Taber, CPA; and John Robert Voynich, CPA.

**Draffin & Tucker, LLP** announces the following promotions: *Albany office* 

**Ryan Chancey** promoted to senior in the firm's health care and commercial practices.

**Savannah Spraggins** promoted to senior in the firm's health care practice.

Tyler Rose promoted to senior in the firm's commercial practice.

#### Atlanta office

**Darin Lane** promoted to manager in the firm's health care practice.

**Mercedes McKoy** promoted to senior in the firm's health care and commercial practices.

# **AWARDS & HONORS**

**Moore Colson** recently announced Partner, **Josh Thomas** has been awarded the Emerging Leaders Award by The M&A Advisor, a premier global network of M&A, Turnaround, and Finance professionals.

# **FIRM NEWS**

**Bennett Thrasher LLP** announces the formation of two new practice groups:

*Value Acceleration and Exit Planning Services,* led by Gina Miller, providing comprehensive exit planning consulting that includes valuation, corporate tax, personal tax, wealth advisory, transaction advisory, audit and assurance consulting, and operational support for business owners planning to transition out of their businesses.

*Business Transformation Services,* providing outsourced financial operations to business owners, implementing best practice techniques at the intersection of software and accounting.

**Mauldin & Jenkins, LLC** is excited to announce the merger of KRT CPA's governmental practice division. KRT CPA's (formerly known as Karp, Ronning & Tindol) has been operating in Savannah for over 90 years providing traditional audit and tax services to a wide variety of clients.

**Moore Colson** recently announced the move of its headquarters to a new, larger office space at the Galleria Office Park in Atlanta to accommodate continued growth.

# **IN MEMORIAM**

We sincerely regret the loss of the following members and extend deepest sympathy to their family and friends. **Tonya F. Kennedy**, *Cartersville*, *Ga*. **R. Merrill Dobbs**, *Calhoun*, *Ga*. **John P. Cowart Jr.**, *Ocala*, *Fla*.

# The Value and Importance of Networking

Kathryn M. Fletcher, CPA



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.

# "It's not what you know, it's who you know."

I'd be willing to say we've all heard that adage at least once in our career and, in many cases, may be the reason we received a business opportunity. It's true that individuals rarely find success in isolation, but is networking just finding that right individual to provide the right opportunity? For some people, the answer is "yes," but I would encourage you to consider taking a different perspective to networking.

# **Building Long-Term Relationships**

Networking is about building relationships. It's about creating genuine and authentic relationships in which each person strives to add value by generously sharing their time, energy, skills, knowledge, ideas, and connections with each other. Treating everyone you meet with respect, rather than anticipating whether they can help you in your network. It's about focusing on what you can give instead of what you can get. If you can build relationships based on this trust and respect, then endless opportunities will arise. In building these relationships, it's also important to focus less on how many people you can network with, and more on how you can help those you network with. Investing in meaningful activities and relationships will result in valuable benefits. When building a relationship, it is important to be careful of the quid pro quo pitfall, in which you only help those who help in return. The "I'll scratch your back, if you scratch mine" approach can limit the quantity and quality of the network you develop. In some cases, the receiving party may even feel as if he or she is being manipulated. Networking shouldn't be about keeping score. People know when you're tallying up a total, and this tactic doesn't build trust in a relationship.

# **Peer Relationships**

Don't be hesitant to build relationships with individuals within your industry. The value of a strong peer relationship is that it allows you to be open and honest. It also creates a working environment that leverages experience, ideas, and resources. This type of collaborative relationship not only enhances your own skills, but also provides valuable insight into processes other firms employ to operate successfully, which in turn will help you become a more knowledgeable and valuable business person.

# **Successful Networking**

How we engage with others can have a significant impact on our happiness and success. Our actions influence the relationships we build with clients, colleagues, friends and family, and even those in our community. Our choice to network with a purposeful commitment to giving rather than receiving, can create a meaningful interaction with a new connection or strengthen ties with a longtime colleague. By embracing a generous networking approach to building long-term relationships, your career will be rewarding and fulfilling. I encourage you to implement this approach to networking and see how it positively impacts your life and the lives of those around you.

Kathryn M. Fletcher, CPA, CGMA is a partner with Draffin & Tucker, LLP, in Atlanta, Ga. Since joining the firm in 2001, she has gained extensive experience auditing not-for-profit and governmental health care entities. She can be contacted at kfletcher@draffin-tucker.com.



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