



# Leaders' Edge

The newsletter of The Michigan Association of Certified Public Accountants



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"Those who choose not to participate in democracy are doomed to be controlled by those who do."

- *Abraham Lincoln*

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## Top Stories

### Proper Documentation Impacts Statute of Limitations for Malpractice Claims

By Katherine Mendel, Plunkett Cooney

It has been eight years since the Michigan Supreme Court decided *Levy v Martin*, a case that essentially redefined the timeframe in which a client can bring a professional malpractice claim against his or her accountant or attorney.

While the statute of limitations for a professional malpractice claim bars a claim brought over two years after an action accrues, the *Levy* court re-examined the way courts determine when an action actually accrues. Instead of looking solely at the particular transaction that is the alleged malpractice (i.e. a particular year's tax return) when a professional provides continuous, general service over a period of time, a client's claim against that professional may not accrue until that time period ends, even though the alleged malpractice itself occurred several years prior.

Notably, it is often the defendant's own records that are used to determine whether the professional services were of a general, continuous nature and when the services actually ended. For example, courts have relied upon engagement letters, billing records, and fee petitions drafted by the defendant accountants or attorneys to determine the nature and time frame of the defendant's services.

In *Levy v Martin*, the defendant accountants prepared the plaintiff's annual tax returns from 1974 to 1996. In 1997, the plaintiff brought suit against his accountants based upon his 1991 and 1992 tax returns. The accountants immediately filed a motion to dismiss, noting that the statute of limitations for a malpractice claim is two years, and the returns at issue were completed well over two years before the plaintiff's complaint.

Both the trial court and the Court of Appeals agreed that the plaintiff's claims were untimely; however, the Michigan Supreme Court reversed their decisions. The Supreme Court found that the two-year statute of limitations did not begin to run until after the accountants discontinued working for the plaintiff. The Court found that the accountants provided general, continuous tax services for the plaintiff, and the 1991 and 1992 tax returns were not separate, distinct services, but rather they were a part of the accountants' general, continuous services, based upon the lack of separate yearly engagement letters or other indicia of discrete services. Therefore, the plaintiff had until two years after the accountants discontinued their accounting services to bring a malpractice claim against them.

*Levy* and other cases recognize the "last treatment rule" derived from the applicable statute of limitations. The statute states that a professional malpractice claim "accrues at the time that [the professional] discontinues serving the plaintiff in a professional or

pseudoprofessional capacity *as to the matters out of which the claim for malpractice arose.*" (This statute does not apply to medical malpractice claims.) The last treatment rule interprets this statute broadly, finding that the matters out of which a claim arises means a professional's general representation or service, rather than a particular act. The reason, originally expressed in the context of medical malpractice, is that a client who receives continuous, general services, places trust in the professional such that they are not likely to recognize or pursue a claim until that relationship of trust has ended.

### **Impact of Decisions After *Levy v Martin***

Since the *Levy* decision, several Michigan courts have addressed the issue of when the statute of limitations accrues in professional malpractice claims. In one such case, *Azzar v Tolley*, the court found that the plaintiff's legal malpractice claim accrued when the plaintiff discharged his attorney, even though the alleged malpractice occurred five years prior. The plaintiff and defendant entered into a loan transaction in 1994, and the plaintiff advanced funds to the defendant throughout 1994 and 1995. The plaintiff filed a claim based upon this transaction in 1999. The court found that, because the defendant provided generalized legal services for an uninterrupted period of time until 1999, the plaintiff had two years after defendant stopped serving as plaintiff's attorney to file a malpractice claim based upon the legal services provided within that time period.

In 2006, the Michigan Court of Appeals found that a plaintiff's legal malpractice claim was timely even though the claim arose out of a purchase agreement drafted by the defendant attorneys approximately six years prior. In *RLVIC, Inc v Dawda, Mann, Mulcahy & Sadler*, the court reasoned that the parties had an ongoing relationship and the defendants continued serving the defendants with respect to the purchase agreement transaction after the date the agreement was drafted and executed. Importantly, the court used the defendant law firm's billing records to determine when in fact defendants stopped providing services relative to the purchase agreement, and used that date to determine when the claim accrued.

Recently, in *NM Holdings Co, LLC v Deloitte & Touche, LLP*, the defendant accounting firm argued that they provided separate discrete services to plaintiffs each year, but the Bankruptcy Court found the defendant provided a continuous course of annual auditing services. The court relied upon the defendant's fee application to the court, which referred to the parties' existing relationship and continuous services. Even though the plaintiff hired another accounting firm in 2003, and the complaint was filed in 2006, the court found the second accounting firm was hired in addition to the defendant and provided distinct services.

In contrast, when a professional provides a discrete service, the statute of limitations begins to run when the discrete service ends. In *Mamou v Cutlip*, the plaintiff contacted defendant in 1995 to draft a release agreement. The plaintiff believed the release completely resolved his underlying dispute. The plaintiff did not ask the defendant to do anything relative to the release for the next several years, until 1999 or 2000, when the underlying dispute was revived. Because the defendant did not provide a continuous service in the interim, the court found the claim accrued in 1995 and plaintiff's complaint was untimely.

Likewise, in *City of Pontiac v Pricewaterhouse Coopers LLP*, the court found the defendant accounting firm provided a series of discrete services, and found the statute of limitations

barred the plaintiff's claims based upon services provided more than two years before the complaint was filed. The plaintiff claimed the defendant provided continuous accounting services from 1993 through the present, but the court instead found a series of discrete services because the parties entered into separate engagement agreements for each annual audit which estimated the fee for each audit and represented the entire agreement relative to each audit. Because the plaintiff could not provide a contract for continuous services, or any other evidence that a professional relationship continued uninterrupted from year to year, with an "accompanying air of trustworthiness" the court determined that the defendant provided a series of discrete services, and plaintiff's claims were untimely.

### **Checklist for Appropriate Documentation**

In conclusion, the courts interpret the statute of limitations for professional malpractice claims broadly so that when a professional provides general, continuous services, a malpractice claim arises out of the general representation or service, and not the particular act of alleged malpractice. The professional's own documentation is often used to determine the nature of his or her services. When a professional provides a series of discrete services, consistently using the following documents will help the court determine when a particular service ended:

- Engagement letter that outlines the scope of the engagement
- End-of-engagement letter that indicates you have completed the service you were engaged to provide
- Separate billing for each service or function
- Final billing at the completion of each service

Overall, it is important that engagement letters, billing records, and other documents accurately describe the nature of the service and provide sufficient information so that a court can determine when each service terminated.

### **About the Author**

***Katherine Mendel** is a member of Plunkett Cooney's Professional Liability practice group. She concentrates her practice in the area of legal, accounting, and real estate malpractice litigation. As a Plunkett Cooney summer associate in 2006, Mendel also worked alongside attorneys in the firm's appellate and complex litigation groups. She is a member of the State Bar of Michigan, the American Bar Association, and the Oakland County Bar Association. Mendel graduated from Thomas M. Cooley Law School cum laude where she was an Assistant Editor of Law Review.*

## Top Stories

### **AICPA Whitepaper Analyzes Economic Crisis' Impact on Pension Funding**

The AICPA has developed a new whitepaper, "Temporary Pension Relief Will Aid Economy, Protect Workers," to raise awareness of the pension funding issue which will soon squeeze many American businesses.

"Given the volatility in the capital market, many companies with defined benefit plans will likely be required to infuse a significant amount of money into their pension plans because of the declining value of the underlying pension plan assets," stated Scott Spiegel, CPA/CITP, chief financial officer for AICPA. "And in the current environment where banks are tightening their lending requirements, companies that may need to borrow this money may have a harder time obtaining the financing they need."

On Dec. 10, 2008, as one of its final acts, the 110th Congress adjusted pension funding rules to help ease a short-term cash squeeze created by the economic collapse. But new data, including a year-end drop in interest rates that boosted required contributions, show that the relief was not enough.

In 2008, America's employers made \$38 billion in required contributions to pension plans. This year, under the current payment schedule, they will need to pay almost three times as much (\$108.7 billion) — a difficult requirement to meet when profits are crumbling, credit is inaccessible and investments are performing poorly.

In anticipation of such problems, Congress enacted the Worker, Retiree and Employer Recovery Act of 2008 (WRERA) to temporarily adjust pension funding rules for single-employer retirement plans. However, new data estimates that this will have little impact on the overall pension funding problem. WRERA only freed about \$16.4 billion from the pension pipeline. That's less than one-sixth of the amount required by a funding schedule developed through the Pension Protection Act (PPA) of 2006.

PPA was the most comprehensive pension reform legislation since the Employee Retirement Income Security Act was enacted in 1974. Among other things, the Act strengthened: plan reporting and participant disclosure rules and required stricter funding rules for single-employer and multi-employer defined benefit pension plans.

In 2006, pension plan investment returns likely appeared to play a big role in keeping the accounts fully funded. However, the crash of 2008 changed this situation by sharply cutting the value of pension assets.

The AICPA launched the [Economic Crisis Resource Center](#) earlier this year to provide AICPA members with the information they need to assist their clients, employers and communities during these difficult economic times. The Economic Crisis Resource Center contains tools to help CPAs, and their employers and clients minimize the effects of the recession. The tools include webcasts, articles and CPE courses on strategic planning, budgeting, fraud detection and maintaining the public trust, as well as podcasts and blogs. The AICPA continually updates the Center's resources and information, including government actions and court rulings.

Liabilities also rose, and fund surpluses turned into deficits almost overnight.

In response, the AICPA issued a call to action, partnering with more than 350 organizations in a collaborative effort to [petition](#) congressional legislators for additional relief. The AICPA released the whitepaper, "[Temporary Pension Relief Will Aid Economy, Protect Workers.](#)" to educate the public and the profession on the matter.

The whitepaper explores the impact of WRERA and the challenges organizations will face in 2009 and 2010. Despite the passage of WRERA, both the required contribution levels in 2009 (\$108.7 billion) and 2010 (\$102.8 billion) will significantly increase, nearly tripling the contribution amounts from 2008 (\$38 billion). Additionally, some employers that fail to meet the minimum 80 percent funded threshold may have to contribute an additional \$3.2 billion.

A recent survey published by the AICPA in partnership with UNC Kenan-Flagler Business School, "Q1 2009 AICPA/UNC Business and Industry Economic Outlook Survey," revealed that most respondents believed WRERA would not affect their contributions enough or were unsure of the effects. The full results of the [survey](#) are available from the AICPA's [Economic Crisis Resource Center](#), as is the [whitepaper](#).

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## Top Stories

### Ramona Henderson Pearson, CPA – Navigator of the Profession



*Ramona Henderson  
Pearson, CPA  
2008-2009, MACPA  
Board of Directors*

Ramona Henderson Pearson is not only a “Navigator of the Profession,” but she has also successfully navigated a troubled community toward financial recovery. Within her 30-year career, she founded The Pearson Group, LLC and Ramona Henderson Pearson, CPA, P.C. in 1999 and 1984 respectively. She focuses her practice in three areas: accounting consulting, investment advisement, and management and tax compliance. “I love my practice,” said Ramona. “It feels good to know that I bring value to my clients.”

In 2001, Ramona was also named as Emergency Financial Manager for the City of Highland Park. With the city in dire financial straits, her goal was to restore the city’s bottom line and give residents a sense of hope that their community would thrive again. “It was painful to see, firsthand, a government that had gone awry,” she said. “It taught me the value of real leadership – real moral leadership. I met some great people and saw great homes.”

Ramona is truly passionate about the profession, as well as Detroit and surrounding communities. It’s a passion that shows in her daily professional and personal life.

#### **What made you decide to enter the accounting profession?**

When I attended Western High School in Baltimore, Maryland, I took a bookkeeping class. I was then lucky enough to get a part-time job in the afternoons working for a CPA, Paul H. Naden. I had never heard of a CPA, but from that point, accounting opportunities seemed to come my way. I “moonlighted” (by assisting small businesses receiving SBA loans) with one of the accounting professionals at a MESBIC (Minority Enterprise Small Business Investment Company) where I worked as an administrative secretary while I attended Community College of Baltimore. I then took a position as an accounts payable clerk at Provident Hospital in Baltimore. I worked at night while attending Morgan State University during the day where I was majoring in accounting.

#### **Explain your most challenging professional venture.**

My most challenging professional venture was being Auditor General at Wayne County for nearly 10 years.

#### **Of which professional accomplishments are you most proud and why?**

I am most proud of being a manager at Arthur Young & Company because it was an environment of constant challenge. I am also very proud of being appointed the Emergency

Financial Manager of the City of Highland Park because it was a real challenge where tough decisions had to be made; but the goal was always to win for the citizens of Highland Park. I learned a lot, garnered many excellent relationships and learned what it really means to be "responsible" for the health and welfare of others. We accomplished a great deal and I have the 400-page report given to the Governor to prove it.

**Explain any major obstacles you had to overcome to get where you are today.**

My biggest obstacle has been being female in a male dominated world AND where even females prefer male direction as opposed to direction from another female. I know many females in powerful positions that will agree with me.

**You have been involved with MACPA's High School Leaders Conferences for the past few years. Why do you think it is critical to reach out to high school-level students about the of the CPA profession?**

It is important for our profession to make its presence known because of competition from other fields that appeal more to the senses because of "free" promotion via television and the media. I am thinking particularly of the legal profession, but also engineering, entertainment, technology and medicine. Most young people know of those fields of employment. It appears, as well, that young people are not as sure about their future desires at those ages (as I believe boomers were); so, if we want to have impact on their decision-making, we have to put ourselves (CPAs) before them at earlier and earlier ages.

**What advice would you have for those considering entering the CPA profession?**

Those entering the profession need to understand that it is a profession where communications is, in my view, the most critical ingredient. It is a business that lives and dies on relationships with people. All of the math and reasoning in the world will not create a successful accountant if they cannot communicate verbally or in writing.

**What interests or activities are you involved in outside of work?**

Outside of work, I am involved with the Ecumenical Theological Seminary as a board member and Neighborhood Services Organization as a board member, not to mention my MACPA board responsibilities. I have two wonderful teenage girls, one at Harvard and the other at the Roeper School; and their activities after school absorb most of my non-work time. However, I love golf and am presently in golf school to become a better golfer. I love to read, and have started many books. I also love to travel.

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## Message from the Chair of the Board

### When MACPA Talks, Washington Listens

**"Those who choose not to participate in democracy  
are doomed to be controlled by those who do."**

*- Abraham Lincoln*



*Thomas H. Beard  
2008-2009 MACPA  
Chair of the Board*

As part of a team that recently visited legislators in Washington, I have come to understand the importance of our participation in our democracy. Advocacy means being aware of and informed on key issues affecting our profession; it means knowing who is representing me in government; it means contributing to our PAC and supporting candidates I believe in; and it means being accessible and available to provide information to lawmakers and regulators.

While the MACPA focuses most of our advocacy efforts at the state level – where CPA licenses are regulated – we also foster relationships with legislators at the national level. Just recently, MACPA leaders and our Legislative Advisory Group met with members of Congress.

The two most impressive elements of our two days on Capitol Hill were:

1. The access the MACPA's impeccable reputation has gained us (in other words, legislators and staff members made time *for us*), and
2. The reception we received during our meetings (legislators and staff members were *truly engaged* in conversation with us and view us as a premiere resource on complex financial and tax matters).

Our group met with 13 members of Michigan's Congressional delegation; in fact, spending significant time with many. Michigan's delegation has gained influence in Washington, based on seniority and (notable for the CPA profession) committee assignments. **U.S. Senator Debbie Stabenow**, a member of the Senate Finance Committee; **Congressman Dave Camp**, the ranking Republican member of the House Ways and Means Committee; and **Congressman Gary Peters** on House Financial Services were among the 13 members who welcomed us into their offices and openly discussed the issues important to our profession including:

- The CPA profession's role as a trusted advisor, especially through the nation's economic crisis.
- Recommendations for consideration during Congress's debate on reform of financial regulatory structure.
- The need to stop issuing patents on tax planning strategies.
- The benefits of passing mobile workforce legislation.

Read more about these issues [here](#).

The MACPA has made great strides in advocacy. The reputation of the MACPA and Michigan's CPA profession as a trusted business advisor and honest broker of information on complicated issues has opened doors for us. It has enabled the effective and successful protection and advancement of the CPA credential's integrity...but it all starts with you, our members.

Your involvement is key to this continued success – participation in our State Keyperson Program and other grassroots initiatives and support of the MACPA Political Action Committee (PAC) are so important. I encourage you all to learn more about these efforts, and your role on our [Government Relations web page](#) or by calling a member of our Government Relations team at 248.267.3700.

Our experiences in Washington are just one aspect of the work we do throughout the year to build relationships that bring value to our members and support the profession. In Michigan, I'd like to spotlight our partnership with the Detroit Red Wings. Through this venture, we've been able to offer members a great deal on unbelievably exciting hockey entertainment while at the same time raising over \$3,000 to support the Michigan Accountancy Foundation scholarship program. Read more [here](#).

Finally, I urge you to take a look at the [huge array of CPE programs](#) offered over the next couple of months. As our members take courses to enhance their skills and meet the approaching CPE reporting deadline, we've developed programs with member needs in mind - - important topics, excellent speakers, varied formats (from online to onsite), and geographically diverse locations. Plus, in these tough economic times, we're making it more affordable with a [Member Appreciation promotion](#) in addition to your member discount on CPE registrations.

A focus on member needs and the profession is the driving force behind the MACPA. In tough times that focus doesn't change – it becomes even more important. As always, feel free to call me, other board members, and our staff any time with comments, questions or suggestions.

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## Of Interest

### 9 Tips for Managing Risk in a Recession

By Ron Klein, J.D., CFE

Economic conditions historically have a significant impact on CPA professional liability claims. In general, there are more claims filed in an economic downturn, and there are larger claims filed after an economic bubble bursts. The reasons for increases in claims frequency and severity are multiple:

- people and companies lose money,
- business decisions go awry more easily, and
- there is not as much business opportunity as before.

Credit crunches can also cause difficulties for some clients. Good borrowers may have trouble getting credit, and it may be next to impossible for not-so-good borrowers. This situation may cause them to pressure CPAs to go along with them on a particular issue so they can qualify for credit. Client difficulties might also show up as business problems for which the CPA is blamed.

#### What Can You Do to Manage Your Risk

**1. Identify clients that are at high risk.** If you have a specialty or a significant client in a certain industry, get together with other partners or associates and start extrapolating: what if the recession causes the loss of a client's customers or a line of credit? What kind of services are we rendering? What will happen?

This process leads you to recognize risk stress points. If you're in an attest engagement, this will point you to where on the balance sheet or income statements the risk is going to show up. The likely culprits are inventory, accounts receivable, or revenue recognition. There may be valuation issues when it comes to certain assets.

CPAs will want to figure out which clients will be affected in order to warn them about their risks. Jury research shows that CPAs are expected to "advise and warn" – to advise clients of opportunities and to warn them about risks. Identifying clients that are at high risk is a key point. The first step to solving a problem is to become aware of it.

The CPA then needs to make sure that clients are getting good advice. The good news is that those clients who respond well may end up generating more revenue for you, which is as good as avoiding problems.

**2. Educate clients** through newsletters or targeted mailings. Identify which clients would benefit from a targeted mailing, and use it to emphasize issues such as the tax consequences

of the forgiveness of indebtedness. Communicate that you are there to help them with their decisions. Such communications can be done in an effective way without creating additional exposure.

**3. Educate your staff**, because they are the ones who will interact with the clients and help you identify those at high risk. When clients call and ask about certain issues that you have pre-identified with your staff, you can use a cohesive, centralized approach to dealing with their issues.

**4. Increase professional skepticism.** Professional skepticism is a must: to protect yourself, to protect the readers of the financial statements, and to protect the client. Desperate times will cause some clients to take desperate measures that get by a CPA who has become complacent. Professional skepticism means you will think twice about something that doesn't make sense.

Another common but serious error for CPAs is to go along with the client on an issue such as the valuation of inventory or assets, which will satisfy the creditors or investors but also result in a significant material misstatement. Don't take on your client's problems and become a victim for the client. Loyalty to a client is not above the professional standards of integrity, independence and objectivity. It's not worth losing your reputation and your own financial security as the result of a disastrous engagement.

**5. Increase scope, intensity, and fees for attest work.** Increased professional skepticism and client identification may result in an increase in scope or intensity for attest work. If scope or intensity increases, fees had better increase as well, especially for audits.

**6. Insist on current (90 days) real estate valuations.** If you have a business client that relies in any way on real estate valuations, you must insist that those valuations are current. In this market, in certain geographic locations, valuations that are older than 90 days probably will not fly; 60-day valuations are better. Be sure that the valuations are authentic. If the appraiser is working out of Alaska but appraising California property, there may well be something wrong.

**7. Be attentive to disclosure of loan covenant violations**, generally with audit and review engagements, but it is more important now than ever to be punctilious and exact about loan covenant violation disclosure. The third-party creditor or bank might claim that there were loan covenant violations that were not disclosed. In regular times, loan covenants are violated routinely and banks don't care about them. They don't care until they lose money; then it's critical.

**8. Examine risk to third-party creditors.** The creditor, bank, investor, or silent partner who is relying on the operating partner will become your risk, especially in attest work. If you don't examine the risk, you are essentially flying blind.

**9. Risk-screen new and existing attest clients.** Look at business failure risk and management risk (i.e., competence and integrity). The risk-screening process will also help you identify engagement risk and risk stress points. This process will help you more directly

resource your audit personnel on the stress points in the engagement. It may allow you to re-price the engagement as well. One word about re-pricing, however: you cannot re-price a disastrous engagement to make it worthwhile.

**About the Author**

*Ron Klein is vice president-claims counsel with Camico Mutual Insurance Company ([www.camico.com](http://www.camico.com)). He is responsible for advising the claims department, especially on high exposure claims, and is the chief claims strategist.*

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### The Social CPA: Insight into Today's Social Web Scene

By Roy Keely, Xcentric, LLC

Don't be fooled; the social web is not only for those under the age of 25. While the average CPA has very different needs than a 14 or 21 year-old, this doesn't mean that you don't have some things in common. I'm sure you're familiar with the adage, "It's not what you know but who you know." Well, with the development of the social web, perhaps 10 years from now the saying will be, "It's not who you know but who knows you." The web is giving both individuals and companies a chance to be known like never before.

Known for what you may ask? Any number of things – being a good service company, throwing good parties, not being shy around a camera, or being a reader and philosophy buff – whatever you want to be known for. Sure, some of these 'social sites' are irrelevant to you as a CPA; however, the social web's relevance to the business world is growing exponentially and worth getting plugged into for things like building brand awareness, staying up-to-date on what others in your field are doing, creating referral networks, developing online discussion boards, and more.

This is a quick overview of what's happening on the social web that's important for you as a CPA. Keep in mind, as technology changes, this list may change in the next few months. Not to mention, there is plenty going on out there that you don't need to know about. That said, you'd be better off letting people like me waste time reading blogs about new websites that bring bird lovers together (no offense to bird lovers) and wait for us to write about the sites that are relevant to you. You stay a CPA and continue bringing value to your clients.

#### Twitter

Twitter is by far the fastest growing site on the Internet, [growing 1,382 percent](#) between February 2008 and February 2009 and another 76.8 percent between February and March of 2009.

**What is Twitter?** Twitter is a form of micro-blogging, which is a blog where shorter, media, or link-based posts are encouraged versus typical wordier blog formats. Twitter's largest demographic segment is between the ages of 35-49, which is vastly different from other social sites on the web. Businesses are adopting this more than any other medium to create a 'following' of sorts. On Twitter, subscribers follow other people/businesses to see updates as they are rolled out, answering the site's fundamental question: "What are you doing?" It's the ultimate permission marketing mechanism that people are getting onboard with. Microsoft has even taken an interest in Twitter mania by rolling out a Twitter site called ExecTweets that allows you to follow popular CEOs and other executives <http://www.exectweets.com/>.

#### Join the MACPA's Social Networks.

You can follow us on [Twitter](#), or join our [Facebook](#) and [LinkedIn](#) groups for the latest news and updates regarding the profession and the Association.

Click [here](#) to watch a video that helps describe the features of Twitter.

**\*TIP** - CPA firms should sign up for Twitter, regardless of whether or not you have immediate plans to use it. Why? To get the name you want! If your firm's name is Brown, Cone and Spalding, you should claim either or both of these: [www.twitter.com/bcs](http://www.twitter.com/bcs) and/or [www.twitter.com/brownconespalding](http://www.twitter.com/brownconespalding).

### Facebook

Facebook (FB) is now a household name in the United States and in much of the world, ranking 5th in global Internet traffic [rankings](#). CPAs are beginning to use FB as a recruitment tool rather than a revenue generator. However, several years from now, as the first major adopters of FB turn 35 seek a CPA to help them manage their \$80,000 income, FB may develop into a marketing channel for CPAs.

Start a Facebook page for your firm and let someone who is going to be onboard a few more years run with it. Starting out, use it for recruitment and general 'social web' awareness; however, proceed knowing that one day it might very well be one of your top lead generation tools. You can't afford not to know about FB.

The AICPA is on board on board with FB and has 858 members in their 'group,' not counting their niche groups. Considering FB for personal use? Read this helpful social web safety review from pcmag.com called "[Online Safety Tips for Facebook Fogeys](#)."

### Blogs

Blogs are not going away and are becoming increasingly popular as a means to disseminate information to both large and small audiences. Blogs are an efficient means of communication whether sharing information with friends and family or for business reasons. See these blog examples: Curt Shilling [announcing](#) his retirement from baseball; an [update](#) for interested home buyers on North Atlanta's Housing Market

There are many well-known blog platforms to choose from, including these popular choices:

- **Blogger** - [www.blogger.com](http://www.blogger.com) (free)
- **Wordpress** - [www.wordpress.com](http://www.wordpress.com) (free to inexpensive)
- **Typepad** - [www.typepad.com](http://www.typepad.com) (free to inexpensive)

### MySpace

MySpace has a strong following and [ranks](#) 8th in worldwide traffic; however, there currently is not much obvious application for the CPA profession. MySpace was the first to market on a significant scale and has become the social networking site known for music more than anything else. Unless you moonlight as a Motley Crew cover band, MySpace may not be your best use of time.

### Honorable (& Interesting) Mentions

- [www.meetup.com](http://www.meetup.com) – This social networking site doesn't end with online networking.

According to the website, Meetup's mission is to "revitalize local community and help people around the world self-organize" (in other words, connect in real life).

- [www.affluence.org](http://www.affluence.org) – This social networking site for the affluent offers exclusive parties and other 'red-carpet' events if you make the cut. To qualify, you must be worth in excess of \$3,000,000, have an annual household income of \$300,000 or more, and have five friends to invite that also meet the stated criteria.
- [www.yelp.com](http://www.yelp.com) – Yelp is a great site for reading reviews of restaurants and finding the perfect dining spot. It also serves as a guide to other businesses in local markets. CPA firms should consider being listed on this site!

Now, before jumping online to get started, familiarize yourself with the sites you are interested in. Be an informed user and be sure you are portraying the image you want to be known for.

### **About the Author**

*Roy Keely is the Marketing Director at Xcentric, LLC, a technology consulting group that specializes in network technology consulting, hosting, and implementation for accounting firms. He can be reached at 678-297-0066 x525 or [rkeely@xcentric.com](mailto:rkeely@xcentric.com).*

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## Of Interest

### **Recession Makes CPE a Survival Tactic**

*By Rick Telberg, Bay Street Group LLC*

With recessionary pressures bearing down on accounting firms and finance departments, it's almost understandable that one of the first budget items to get the red pencil treatment is training and education. But I said "almost."

In fact, cutting back on continuing professional education (CPE) is probably the singularly worst strategy for CPAs in times like these. In a business based on an evolving body of knowledge and understanding, you can't take the "learned" out of "learned profession" and still serve competently as a trusted professional.

In research with Capstone Marketing, we're finding conclusive evidence that high-performing accounting offices hold life-and-death competitive advantages over organizations that fail to adhere to operational basics like regular, relevant CPE.

To be sure, accountants are always looking for more cost-effective forms of CPE, which explains the rise of group-based Webinars and lunch-and-learns. But savvy CPAs are actually enhancing their CPE plans with an eye toward new service offerings and niche specialties.

"Many companies are trying to trim budget dollars, and the learning budget seems an easy target," says AICPA practice management guru Mark Koziel. But, "there are ways to cut the training dollars without sacrificing the learning."

According to the Texas/AICPA MAP survey, accounting firms spend — in good times — a paltry 0.8 percent of their expenses on CPE, which is less than what they spend on promotion and marketing. At that rate, the lack of competence becomes a serious professional ethics issue, not just a competitive factor. Compare: The average American corporation spent \$1,000 a year per employee on training. How much, then, should the above-average CPA spend?

"In today's world, people are taking a clear perspective that making the investment in people pays back multiple-fold in the risks that you avoid because people know what they're doing," said Jon Andrews, a top partner at PricewaterhouseCoopers' London-based human resources management consultancy.

In a research project with Capstone, CPE regimens are emerging as a key difference between the best CPA firms and the rest, or, what we call, the Leaders and the Laggards.

Specifically, Leaders are:

- More than twice as likely as laggards to provide the training those staffers need.
- Five times more likely to provide training that supports staffers' personal goals.
- Eight times more likely to provide the training that staffers want.
- Eight times more likely to provide training that actually supports the firm's business strategy.

"Change is the one constant in accounting and finance professions," Mike Mirretti, CPA, and Becker CPE program manager has told me. "It is incumbent upon CPAs and their employers to stay ahead of the issues and be prepared to properly apply today's standards to the unprecedented situations we are seeing in the market."

The implication is clear. And the penalty for failure could be disastrous for accounting firms, finance organizations, CPA clients and CPAs themselves.

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#### **About the Author**

*Rick Telberg is president and chief executive of Bay Street Group LLC – actionable intelligence for the tax, accounting and finance professions. Contact Rick at [comments@cpatrendlines.com](mailto:comments@cpatrendlines.com).*

## Accounting & Auditing

### FASB Issues Fair Value Guidance

The Financial Accounting Standards Board (FASB) issued three final Staff Positions (FSPs) intended to provide additional application guidance and enhance disclosures regarding fair value measurements and impairments of securities.

- **FSP FAS 157-4**, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly*, provides guidelines for making fair value measurements more consistent with the principles presented in FASB Statement No. 157, Fair Value Measurements.
- **FSP FAS 107-1** and **APB 28-1**, *Interim Disclosures about Fair Value of Financial Instruments*, enhances consistency in financial reporting by increasing the frequency of fair value disclosures.
- **FSP FAS 115-2** and **FAS 124-2**, *Recognition and Presentation of Other-Than-Temporary Impairments*, provides additional guidance designed to create greater clarity and consistency in accounting for and presenting impairment losses on securities.

"The issuance of these final FSPs follows a period of intensive and extensive efforts by the FASB to gather input on our proposed guidance," said FASB Chairman Robert H. Herz. "We received over 600 written comment letters, many emails, and held many face-to-face meetings and other discussions with a broad range of affected constituents."

Added Herz, "Our careful consideration of the input resulted in some changes in the final documents from the guidance first proposed. The changes include a number of new disclosures relating to the determinations of fair value and to estimated credit losses and credit exposures. Virtually all of the investors providing input expressed the need for greater transparency by banks. Taken together, these three new documents require significantly expanded and enhanced disclosures."

**FSP FAS 157-4** relates to determining fair values when there is no active market or where the price inputs being used represent distressed sales. It reaffirms what Statement 157 states is the objective of fair value measurement—to reflect how much an asset would be sold for in an orderly transaction (as opposed to a distressed or forced transaction) at the date of the financial statements under current market conditions. Specifically, it reaffirms the need to use judgment to ascertain if a formerly active market has become inactive and in determining fair values when markets have become inactive.

**FSP FAS 107-1** and **APB 28-1** relates to fair value disclosures for any financial instruments that are not currently reflected on the balance sheet of companies at fair value. Prior to issuing this FSP, fair values for these assets and liabilities were only disclosed once a year. The FSP now requires these disclosures on a quarterly basis, providing qualitative and quantitative information about fair value estimates for all those financial instruments not

measured on the balance sheet at fair value.

**FSP FAS 115-2** and **FAS 124-2** on other-than-temporary impairments is intended to bring greater consistency to the timing of impairment recognition, and provide greater clarity to investors about the credit and noncredit components of impaired debt securities that are not expected to be sold. The measure of impairment in comprehensive income remains fair value. The FSP also requires increased and more timely disclosures sought by investors regarding expected cash flows, credit losses, and an aging of securities with unrealized losses.

The FSPs are effective for interim and annual periods ending after June 15, 2009, but entities may early adopt the FSPs for the interim and annual periods ending after March 15, 2009. Beyond these near-term actions, the FASB has a joint project with the International Accounting Standards Board aimed at more broadly revamping and converging their respective standards on accounting for financial instruments.

Related downloads:

[FSP FAS 107-1 and APB 28-1](#)

[FSP FAS 115-2 and FAS 124-2](#)

[FSP FAS 157-4](#)

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## Tax Tidbits

### Federal Tax Podcasts Available Free on MACPA Website

MACPA members may access up-to-date news on federal tax legislation, court cases and other developments with free weekly podcasts. Mares Nichols CPE Inc., a frequent and highly rated presenter of MACPA continuing education programs, produces the "Federal Tax Update" podcasts.

Available each week on the [MACPA Federal Tax Podcast web page](#), the timely updates provide listeners the opportunity to hear expert analysis and insight into what is happening in the area of federal taxation from E. Lynn Nichols, CPA, Michael Mares, CPA, ABV, J.D. and Edward Zollars, CPA. Some of the topics covered to date include an analysis of President Obama's international tax reform proposals, OPR guide to practitioner sanctions, guidance on COBRA continuation coverage, and more. The podcasts are archived on the MACPA [website](#), allowing members to listen to any previously released session.

The podcasts are audio files, which can be accessed 24/7 via the Internet for playback on a mobile device (MP3 player) or on a computer. Visit the [Federal Tax Podcast page](#) weekly, or subscribe to the RSS feed (the little orange button at the bottom of the podcast page) to receive the podcast automatically as soon as it is made available each week.

Want to learn how to use an RSS feed? Click [here](#).

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## Legislative & Regulatory

### Peer Review and Your 2009 License Renewal

*By Carol Flores, Licensing Administrator, Board of Accountancy, Bureau of Commercial Services, Department of Energy, Labor & Economic Growth*

As you are aware, this is a license renewal year and a peer review is required for certain practitioners and firms as a condition of license renewal. MCL 339.729(2) states, in part, that a CPA licensee shall submit to the Department at the time of renewal, proof of a peer review obtained within the three years immediately preceding the renewal application. The details regarding which licensees are required to have a peer review and procedures to report it to us are included below.

#### 1. When did the new peer review statutory requirement take effect?

The legislation containing the mandatory peer review provisions was enacted on March 1, 2007 but did not begin effecting licensees until March 1, 2008. Participation in a peer review program is mandatory beginning sometime after March 1, 2008 based on the timeline described in FAQ #2.

#### 2. Who is required to have and provide proof of a peer review as a condition of renewing a license?

Licensed CPA firms and sole practitioners that perform attestation services (including audits, reviews, and compilations that are relied upon by third parties) are required to provide proof of participation in a peer review program as a condition of re-licensure or license renewal. The peer review must have taken place in the three years immediately preceding the application for re-licensure or license renewal and, depending on the specific services provided; the timeline for the requirement is different for each type of service:

- a. If you have performed at least one attestation service that includes an audit anytime since March 1, 2008, you are required to provide proof of a peer review completed between December 31, 2006 and December 31, 2009.
- b. If you have performed at least one attestation service that includes compilation with disclosures relied upon by third parties, or review, or both compilation with disclosures and review, but not audits, anytime since March 1, 2009, you are required to provide proof of a peer review completed between December 31, 2006 and December 31, 2009.
- c. If you have performed at least one attestation service that includes compilation without disclosures relied upon by third parties, but not audits, reviews or compilations with disclosures anytime after March 1, 2010, you are required to provide proof of a peer review completed between December 31, 2008 and December 31, 2011.

#### 3. What if I perform one of these services for the first time or am applying for original licensure?

Proof of participation in a peer review is not required for license renewal until the second

renewal following initial licensure or the first performance of one of the services described above.

**4. Are 2009 and 2011 the only renewal years that a peer review will be required?**

No. Completion of a peer review is a permanent renewal requirement that was enacted into law by Public Act 278 of 2005. Any renewal cycle in which a licensee has performed even one attestation service (for even one client), licensee must provide proof of having a peer review completed within the immediately preceding three years.

**5. Is there an additional cost associated with this, beyond the normal license renewal fees?**

Yes, there is an additional \$100 fee due at the time of renewal for licensees required to have a peer review. Licenses required to have a peer review will not be renewed until proof of the completed peer review and payment of the additional \$100 fee are received.

**6. How will I prove my level of service and therefore show compliance with the new peer review requirements during the renewal of my license(s)?**

During renewal, each licensee will be required to certify, under penalty of law, whether they do or do not perform the attestation services requiring a peer review.

**7. Can I renew my license in 2009 if my peer review is scheduled but not completed?**

If a CPA firm or sole practitioner performs the types of services requiring a peer review, their license cannot be renewed until the peer review is complete and reported to the Department. If the peer review has not been completed, your application for renewal will be incomplete and the Department will not renew your license.

**8. How and when do I report my peer review results to the Department?**

The timing for reporting your peer review to the Department depends on the result that you receive. If the result of your review is "pass," the results are required to be reported at the time of renewal. However, you may also allow posting to the secure website called the Facilitated State Board Access (FSBA) as described below. If the result of the peer review is a second consecutive "pass with deficiencies" or "fail," the results must be reported directly to the Department within 30 days of the peer review's completion.

You are encouraged to report the results of your peer review seamlessly through the peer review sponsoring organization (such as the MACPA or AICPA). The sponsoring organization will ask if you voluntarily wish to have the completion disclosed to the FSBA. A licensee who has its results posted to the FSBA secure website is automatically considered compliant by the Department.

If you "opt out" from allowing the sponsoring organization to post your completion of the peer review results through the FSBA, then you are responsible to report your results directly to the Department at the time of renewal or within 30 days of peer review completion depending on the review outcome as described above. Your notification should be addressed to: The Department of Energy, Labor & Economic Growth, Bureau of Commercial Services, Licensing Division, Attention: Board of Accountancy, Post Office Box 30018, Lansing, MI 48909.

**9. What do I do if I need an extension to complete the peer review?**

The statute allows the Department to grant an extension to have the peer review completed only if the requirement would present an undue hardship on the licensee; however, there are also other circumstances under which a review might not be closed by the end of the license renewal period. To apply for an extension, you must provide a written request to the attention of Stacie Bayes, Assistant Licensing Administrator, outlining the reasons for your request. You may contact Ms. Bayes by email at [bayess@michigan.gov](mailto:bayess@michigan.gov) or submit the written request to our office at Department of Energy, Labor & Economic Growth, Bureau of Commercial Services, Licensing Division, Board of Accountancy, PO Box 30018, Lansing, MI 48909.

**10. What happens if my CPA firm or practice receives a "fail" or "pass with deficiencies" peer review report?**

The licensee is required to notify the Department within 30 days after receipt of a peer review report with a result of a second consecutive "pass with deficiencies" or "fail." Receiving one of these two results will be considered as not meeting one or more professional standards and the licensee will be contacted by the Department to provide more information.

**11. Where can I obtain a copy of the peer review statute and rules?**

The statute and administrative rules are available on the Michigan Board of Accountancy's [website](#). Look for "Quick Links" on the right hand side of your screen and click on "Article 7" or "Administrative Rules." Specifically, you may wish to review Section 729 of Article 7 (MCL 339.729) and the Board's administrative rules 501 and 503.

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## Legislative & Regulatory

### Legislative Update

*By John Lindley, MACPA Senior Director of Government Relations & Regulatory Affairs*

Mobility continues to make tremendous progress on the national front. To date, 38 states have enacted mobility legislation, plus two more states have granted mobility privileges only for CPAs from states that have passed mobility. That's **40 total** licensing jurisdictions on board.

In addition:

- Three state legislatures have passed mobility bills; they await gubernatorial approval.
- Legislation is pending in six other states.

The total is likely to be as high as 49 by the end of 2009 – significant progress from the four original states with mobility provisions in place in 2006. Read more about mobility on the MACPA [website](#).

### Washington Listens

Members of the MACPA Executive Committee and Legislative Advisory Group met with 13 members of Michigan's U.S. Congressional Delegation in Washington in late April. This was a tremendous two days of building new relationships and continuing to strengthen relationships with influential members of Congress, including U.S. Senator Debbie Stabenow and Congressmen Dave Camp and Gary Peters. Read more in the [Chair's Message](#) (link) in this issue of *Leaders' Edge*.

### MBT Penalty Relief

A little closer to home, MACPA is hard at work on the tax front. Our legislative team was successful in negotiating and securing an amendment to identical bills – House Bill 4496 sponsored by State Representative Sarah Roberts and Senate Bill 98 sponsored by State Senator John Pappageorge – both addressing the issue of penalty relief for underpayment of estimates filed under the Michigan Business Tax (MBT). The threshold in the original bill provided for 85% accuracy in estimating total liability. MACPA's amendment lowered the threshold to 75%. Additionally, the MACPA's amendment ensured equal application of the provisions to fiscal-year filers by changing the affected time period to tax years ending prior to December 1, 2009. The bill was signed into law on April 9.

The Association continues to review all proposals, debates and conversations relative to changes to the MBT, which could be significant in 2009, and engage in the debate where appropriate. MACPA is currently working with members of the State and Local Tax Task Force and subcommittee on Business Tax Restructuring to target ambiguities and necessary technical corrections in the MBT and communicating with appropriate individuals inside the

State Legislature and at the Department of Treasury.

### **Michigan's Tax Structure**

Speaker of the House Andy Dillon has indicated a desire to rework the entire state tax system, examining real and personal property, sales and use and individual income taxes, as well as the MBT. A group of MACPA members recently participated in a focus group with the Speaker of the House and will be scheduling another soon.

### **Tracking Other Initiatives**

Finally, the MACPA is always tracking policy proposals that may impact CPAs, working diligently to protect the profession's interests. Although no legislation has been introduced, efforts undoubtedly remain afoot here in Michigan to create a licensing or regulatory structure for paid tax preparers, a proposal that flies in the face of MACPA's mission to protect both the public and the CPA profession. Initiatives have also surfaced in recent years to require audit partner and/or firm rotations for specific sectors (i.e. school districts, area agencies on aging, etc.). The MACPA is committed to defeating any such proposals.

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## **Legislative & Regulatory**

On John J. Bauman, CPA, settled charges on February 29, 2009 as a result of his indefinite consent suspension from practice before the IRS effective October 1, 2007. Mr. Bauman's membership was terminated with MACPA. In settling this matter before the MACPA Professional Ethics Task Force, Mr. Bauman has neither admitted to nor denied any findings as they related to the *Code of Professional Conduct*.

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## Continuing Education

### As CPE Reporting Deadline Approaches, Fulfill A&A, Ethics and Specialized Interest Needs with MACPA

June 30th marks the end of the Continuing Professional Education reporting period. Do you know where you stand?

The MACPA automatically counts continuing education credit you've accumulated since July 1, 2007 to help you stay on track. To view your MACPA credits, simply click '[My CPE Tracker](#)' and login. You are required to earn four ethics, 16 accounting and auditing and 60 other hours over the two-year period.

Always a resource you can count on, the MACPA offers a wide selection of CPE programs through June 30 tailored to meet your needs.

Are you a CPA in business/industry? View courses designed for you on the [MACPA website](#). Need training on the Michigan Business Tax? Look no further, the MACPA offers a multitude of [MBT courses](#). The MACPA also has plenty of conferences through May and June to help you achieve your professional and educational goals.

**Reality check:** if you have not earned a total of 80 hours since July 1, 2007, don't wait much longer.

Need accounting & Auditing credit? Register for MACPA's [Governmental Accounting & Auditing Conference](#), Current Accounting Issues Conferences in [Lansing](#) or in [Troy](#), or search by course type conferences from our [online course catalog](#).

To help you during these financially challenging times, the MACPA will be offering you a \$25 coupon when you attend any eight-hour event now through June 19, 2009. You can apply this coupon to the next event you wish to attend through June 19, 2009. Make sure you pick up your coupon at the next event you attend. Some exclusions do apply, please click [here](#) to view the complete list of exclusions.

We look forward to seeing you this spring. Please contact the MACPA CPE department at 248.267.3700 to register for any event or for more information on the promotion.

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## Association Briefs

### Members Advisory Symposium: Speakers Share Fresh Perspective on the Profession & Economy

New additions to MACPA's Spring Members Advisory Symposium brought fresh perspectives on the profession and the economy to a record-setting audience of more than 280 participants. A highlight of the daylong conference, held at the Lansing Center on May 7, was the opportunity to hear from Jeff Thredgold, one of the country's most articulate economists.

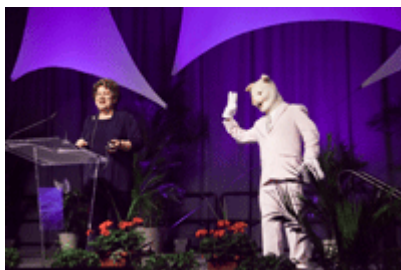
#### *Picture Highlights from the Spring Members Advisory Symposium*



Barry Melancon Presents at the Spring Members Advisory Symposium



Carla Sledge stands with the U.S. Army, Dewitt Recruiting Station, Color Guard after Singing the National Anthem



Benjamin Bankes Stops by the Symposium during Peggy

President of Thredgold Economic Associates, Thredgold runs an economic consulting and professional speaking company based in Salt Lake City, Utah. He's appeared on CNBC and CNN and participates in economic forecast surveys for USA TODAY.

Thredgold shared a positive outlook on the economy, suggesting that the national economy will turn around by the end of 2009. "However, Michigan will not recover as quickly," he noted. He believes Michigan's economy will lag into 2010 but will begin to turn around at that point. Thredgold predicts that by the end of the year we will have three auto companies "that are smaller, stronger and positioned to take advantage of opportunities when the economy turns around."

"This is the longest and deepest recession since the post WWII era," commented Jeff. "We will get through this; in fact, we are most of the way through this. The consensus is that the darkest days are behind us."

Thredgold is a passionate proponent of higher education. "The economy we are part of demands education more than ever before. If your kids or grandkids need a reason to justify a college education listen to this: in 1980 the average college graduate made 25% more than a high school

#### **Symposium Auction Benefits Accountancy Scholarships**

A silent auction held in conjunction with the Spring Members Advisory Symposium in Lansing raised **\$1840** for the [Michigan Accountancy Foundation](#). The monies help to provide scholarships for fifth year/graduate accounting students. Thanks to all of our generous donors and bidders! Read more about the Members Advisory Symposium in the upcoming issue of Leaders' Edge.

## Dzierzawski's Presentation



Students from Oakland University  
joined Barry Melancon for Breakfast  
before the Symposium

graduate. That number today is 90% more." Good computer skills increase earning potential even more, he said.

He identified seven critical industries of the future: technology; transportation; telecommunications; financial services; energy; entertainment; and biomedicine. He also said that healthcare, financial planning and leisure and entertainment are three growth industries, due to aging baby boomers.

Featuring a varied array of speakers, the Symposium also provided an in-depth look at how the economic crisis is affecting the profession. Regulatory changes relating to protecting investors and fair value accounting were hot topics. Keynote speaker Barry Melancon, AICPA president and CEO, urged CPAs to take a proactive role by helping consumers better understanding financial issues.

MACPA President and CEO Peggy Dzierzawski also talked about the economy and how the Association is coping with the current environment. From utilizing new technologies, to developing new partnerships and giving back to the community, Peggy discussed how strong relationships add value to the profession and the Association.

Attendees also heard about what's happening in Lansing – in both the regulatory and the political environments. State Board of Accountancy Licensing Director Joyce Karr explained changes in peer review requirements and shared a "preview" of the new online license renewal form. On the political front, well-known pundit Tim Skubick offered a lively and insightful look at Lansing politics.

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## Association Briefs

### MACPA Officer and Director Nominations

In accordance with Article VII, Section 2 of the MACPA Bylaws, the Nominations Committee met on March 26, 2009, and nominated officers and directors for terms expiring on the dates listed below. The following is a report from the Committee:

#### **Officer Nominees**

*(Terms expiring August 31, 2010)*

Chair of the Board – Jonathan D. Anibal, Jonathan D. Anibal CPA, Commerce Township

Chair-Elect of the Board – Gregory A. Nowak, PricewaterhouseCoopers LLP, Detroit

Treasurer – John P. Pridnia, Rehmann, Muskegon

Secretary – Ramona H. Pearson, Ramona Henderson Pearson CPA PC, Detroit

Immediate Past Chair – Thomas H. Beard, Godfrey Hammel Danneels & Co. PC, St. Clair Shores (serving a two-year term ending August 31, 2011)

Past Chair – Gail Sparks Pitts, Oakland Community College, Bloomfield Hills

#### **Director Nominees**

*(Term expiring August 31, 2011)*

Paul J. MacDonald, Detroit Red Wings Inc., Detroit (serving partial term)

#### **Director Nominees**

*(Terms expiring August 31, 2012)*

Heidi A. Bolger, Rehmann, Saginaw

Sean H. Cook, Butzel Long, Bloomfield Hills, MI

Patrick J. Killeen, Virchow Krause & Company LLP, Southfield

Michael E. Slomski, Slomski & Raedel CPA PC, Harper Woods

Douglas R. Wright, Gordon Advisors PC, Troy

Alan C. Young, Alan C. Young & Associates PC, Detroit

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## Association Briefs

### MACPA Partners with Champions – Detroit Red Wings: A Winning Combination

Since the launch of [MACPA Partners with Champions](#) in March, the response has been overwhelming. Not only has the partnership with the Detroit Red Wings allowed MACPA members the opportunity to purchase game tickets at a discounted rate, it has garnered significant financial support for the [Michigan Accountancy Foundation](#) (MAF). With every ticket purchased, \$5 is donated to the MAF, making both the MACPA and the Detroit Red Wings “champions” for the future of the profession.



“This partnership is definitely a *winning combination* for everyone involved,” said MAF President Stephen Epstein, CPA. “It’s a great opportunity for MACPA members who are also Red Wings fans to see their team at a discounted rate. At the same time, they are also helping the CPAs of tomorrow by contributing to the MAF scholarship program, which provides financial assistance to students completing their fifth/graduate year of school for CPA licensure.”

Thus far, the partnership has raised \$3,195 for the MAF.

An added benefit of the *Partners with Champions* initiative is that it promotes Michigan and a Michigan-based business – the Detroit Red Wings. In today’s economic condition, it is vital to form these partnerships in order to make both organizations stronger and help maintain financial stability.

“Our goal is to collaborate with credible Michigan businesses because, together, we can lead Michigan toward a thriving future and restore hope to the entire state,” said MACPA Chair of the Board Thomas Beard. “It’s also just as important that these partnerships support our future CPAs by contributing to the [Michigan Accountancy Foundation](#),” he added.

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## Association Briefs

### In Memoriam

Gene C. Foss, CPA

March 2, 2009

Madison Heights, MI

**Joined MACPA:** October 31, 1959

**Certified:** August 5, 1959

Thomas H. Wright, CPA

February 17, 2009

Beverly Hills, MI

**Joined MACPA:** November 27, 1952

**Certified:** July 31, 1952

Edward Menczer, CPA

March 2009

Farmington Hills, MI

**Joined MACPA:** October 31, 1970

**Certified:** December 17, 2003