March/April 2016

CPA VOICE

The Ohio Society of Certified Public Accountants

The Importance of Coaching

Plus

- Uniform Guidance: A year in review
- Leasing standards timeline
- Tax provisions in the Highway Trust Fund

THE OHIO SOCIETY OF CPAs
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Supporting CPAs today requires evolving business model

It seems that every week, news of another accounting firm merger crosses my desk as the most strategic CPA leaders are leveraging strengths in services, talent and resources to spark new growth.

Even as businesses combine to realize opportunities, there is a talent shortage in full swing. Today there are more professionals working in accounting roles who are not CPAs. The AICPA reports U.S. universities are graduating 50% more degreed accountants who are not, and never will become, CPAs.

It seems an ironic twist that the profession with one of the most respected credentials is resorting to creative recruitment methods to meet business needs. More firms are reaching beyond the traditional pool of accounting majors and young CPAs, where competition for candidates is fierce. They are tapping a broader array of finance and business majors to staff traditional accounting service roles and extend advisory practices.

Yet members tell us The Ohio Society of CPAs should continue to protect and promote the CPA credential because there is still a high demand for the unique skillset they possess along with an increasingly global business acumen. We're seeing a delineation in the marketplace in how this demand is playing out in new business ventures.

In January, your Board of Directors passed a resolution recommending that AICPA's Council authorize a vote of its membership for a proposal to integrate the operations and management of AICPA and CIMA through a new, international association. Fifty other state and U.S. territorial CPA Societies' Boards of Directors have joined them in doing so.

AICPA said the change will better recognize management accounting as a growing international specialty and broaden the appeal of accounting to future generations. This follows a decision last fall by AICPA's governing council to allow non-CPAs to obtain the Chartered Global Management Accountant (CGMA) designation in the U.S. by meeting certain qualifications. The AICPA indicates they will still promote and protect the CPA credential while addressing employers' demands for management accounting professionals in the marketplace. You can read more about the joint venture proposal on page 4.

The Ohio Society is responding to members' business challenges by charting our own course — one we think is a strong value driver for our members, half of whom are working in the corporate sector.

We are committed to remaining CPA-focused, but know from our recent conversations that you are successful only when your entire team is rowing together. For many years, OSCPA provided education and resources geared primarily to CPAs in specific roles. Today, we are working directly with firms and companies to develop custom programs that address broader professional development needs, such as coaching and management disciplines. Last month we debuted a new career center portal with more robust employer candidate search and screening tools to help you fill those talent gaps.

We are also expanding our membership options after feedback demonstrated that CPA-led teams could benefit from access to our education and knowledge resources. Our team will be introducing this concept to firms and companies beginning this spring as we travel the state to talk about the future of the profession and how OSCPA is committed to helping you and your firm or company thrive in that future.

Through all of this, we continue to push forward with strategic advocacy initiatives. We are heavily engaged in national discussions shaping the future learning models. An OSCPA-led task force is studying Ohio's tax structure to help strengthen the business climate.

We continue to protect the reputation of CPAs as credible professionals qualified to serving the public interest. Recently, OSCPA spoke out against a proposed Uniform Accountancy Act rule that would prohibit retired and possibly inactive CPAs from being compensated for service on non-profit boards. It also left a big question mark around whether they could even serve on a for-profit board. The argument for the new language was serving the public interest. Ours was simple: a change in licensing status doesn't diminish the knowledge and experience gained over a long career as a CPA.

Fewer accounting graduates may be taking the path to the CPA nationally. But OSCPA is not diverting our focus from attracting more recruits to the profession. At the same time, we're moving in bold new directions to help CPAs and those who work under their guidance advance your business and drive a more successful future. That's our promise to you.

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AICPA weighs expanding joint venture with CIMA

The AICPA and the Chartered Institute of Management Accountants (CIMA) are considering a plan to integrate their operations, strategy and management through a newly-formed association.

According to the AICPA, the new association would maximize efficiencies and provide a broader platform for enhanced advocacy, promoting public and management accounting on campuses and with employers and clients, and developing new research and educational offerings.

"A presence in Europe will dramatically increase our ability to advocate for members on international matters that are increasingly impacting the U.S. securities system," said Arleen Thomas, CPA, CGMA, AICPA senior vice president-management accounting and global markets. "In addition, the proposal would enable the profession to achieve even greater influence domestically and internationally and broaden the appeal of accounting to the next generation of professionals."

CIMA is the world's leading and largest professional body of management accountants. Founded in 1919, it represents more than 227,000 members and students operating in 179 countries, working in industry, commerce and not-for-profit organizations.

The AICPA formed a joint venture with CIMA in 2011 in response to the needs of members working in corporations of all ownership structures and sizes.

In January 2012, the two organizations launched the Chartered Global Management Accountant (CGMA) designation. The number of CGMA designation holders is now more than 150,000 worldwide, with over 50,000 in the U.S.

The AICPA said it would continue to serve members and protect, promote and grow the CPA profession in the U.S.

"Our strategy is built on the power of 'and,' said Barry C. Melancon, CPA, CGMA, AICPA president and CEO. "The AICPA would continue to maintain an unwavering commitment to the CPA, promote high standards for ethics and quality, and protect the public interest and the core values of the CPA profession. What we would gain through this new association with CIMA is the further professionalization of management accounting. Financial reporting is stronger when we drive quality in both public and management accounting."

Trends driving proposal

The AICPA said it has assessed current trends and challenges on the horizon as part of its ongoing strategic planning process. With record membership numbers and the CPA reputation at the highest level, the organization thinks the time is right to pursue a proposal that will better enable the profession to tackle such factors as:

- Worldwide demand for specialized knowledge and services
- Significant demographic and generational shifts
- More accounting graduates bypassing professional affiliation and the associated commitment to a professional code of conduct
- The economic shift toward emerging markets
- Growing international connectedness
- Global regulatory impact

Benefits

The AICPA said strengthening the bond between the two organizations would streamline resources and create efficiencies to help them move faster to market and produce content with broader perspective, especially on international business issues, which are increasingly impacting CPA firm clients. In particular, the AICPA cites the gains in advocacy that could be realized when speaking on behalf of more than 600,000 current and next generation accounting professionals. The new association of the AICPA and CIMA would form the most influential body for the accounting profession, within the U.S. and globally, advocating on tax, audit, financial reporting and other issues important to its respective members.

What's next?

The Institute's governing Council will assess member feedback and consider authorizing a member ballot in the spring. Moving forward would require a vote by members, with a majority of those voting supporting the proposal. CIMA has a similar requirement and timeline.

AICPA members should visit aicpa.org/horizons to learn more and provide feedback.

Important tax provisions included in Highway Trust Fund extension

By Thomas R. Brex, CPA

As 2015 wound down, taxpayers and tax practitioners found themselves in a familiar place – sitting on the sidelines, with uncertainty, as Congress wrestled with what to do about expired tax law provisions. Because of the "Groundhog Day Movie" nature of that annual ritual, those provisions received a fair amount of exposure in the press, and even the most disinterested parties had some knowledge that those laws were being discussed.

Oftentimes, however, there are laws that pass during the year, which slip a bit 'under the radar.' Such was the case in 2015 with the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015 (commonly referred to as the Highway Trust Fund extension law).

On July 31, 2015, President Obama signed P.L. 114-41, and while this new law was primarily designed as a temporary stopgap extension of the Highway Trust Fund, it included a number of important tax provisions, including revised due dates for partnership and C corporation returns, and revised extended due dates for those and other returns.

Due dates for C corporation and partnership returns

Domestic corporations, which includes both "C" and "S" corporations, were required to file their tax returns – without consideration of any extension – by the 15th day of the third month following the end of their tax year under previous law. Therefore, corporations with a calendar tax year filed their returns by March 15 of the following year.

Under the new law, C corporations will need to file by the 15th day of the fourth month following the end of the tax year. Thus, C corporations using a calendar tax year will need to file by April 15 of the following year for tax years beginning in 2016. Interestingly, under a special rule, C corporations with a June 30 fiscal year end will not follow these rules until tax years beginning in 2026. (For example, C corporation tax returns for June 30 fiscal year end taxpayers will file returns on or before September 15 for tax years through June 30, 2025. For tax years June 30, 2026 and beyond, returns will be due on or before October 15.)

S corporation original filing due dates and extended due date are unchanged.

Partnership returns have been required to be filed – again, without consideration of any extension – by the 15th day of the fourth month following the partnership's tax year. Thus, partnerships with a calendar tax year would file their returns by April 15 of the following year. Since the due dates of the partnership return and the partners' individual tax returns were the same (i.e., April 15), it was often difficult for partners to file their personal tax returns without requesting an extension of time to file.

Congress finally took note of this issue, and for tax years beginning after Dec. 31, 2015, partnerships must file their returns by the 15th day of the third month following the end of their tax year (or request an extension). While this might make February a bit busier for tax preparers who traditionally had an 'extra' month to get partnership returns completed, it should save time in the long run by hopefully eliminating the need to file some individual tax return extensions.

FinCEN due date change

Taxpayers with financial interests in, or signature authority over, certain foreign financial accounts file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (commonly referred to the 'FBAR' filing). Under existing law, this form was to be filed on or before June 30 to report activity of the immediately-preceding tax year.

TYPE	EXISTING DUE DATE (EFFECTIVE FOR TAX PERIODS BEFORE 2016)	DUE DATE UNDER NEW LAW (EFFECTIVE FOR TAX YEARS BEGINNING IN 2016 UNLESS OTHERWISE NOTED)	EXISTING EXTENSION PERIOD (EFFECTIVE FOR TAX PERIODS BEFORE 2016)	EXTENDED DUE DATE UNDER NEW LAW (EFFECTIVE FOR TAX YEARS BEGINNING IN 2016 UNLESS OTHERWISE NOTED)
C CORPORATIONS – CALENDAR YEAR	MARCH 15	APRIL 15	SEPT. 15	5 MONTHS UNTIL 2026, THEN 6 MONTHS
C CORPORATIONS – JUNE 30 YEAR END	SEPT. 15	SEPT. 15 UNTIL 2026, THEN OCTOBER 15	6 MONTHS (MARCH 15)	7 MONTHS (APRIL 15) UNTIL 2026, THEN 6 MONTHS (APRIL 15)
C CORPORATIONS – FISCAL YEAR OTHER THAN JUNE 30	2 ½ MONTHS AFTER YEAR END	3 ½ MONTHS AFTER YEAR END	6 MONTHS	6 MONTHS
S CORPORATIONS	2 ½ MONTHS AFTER YEAR END	UNCHANGED	6 MONTHS	UNCHANGED
PARTNERSHIPS	3 ½ MONTHS AFTER YEAR END	2 ½ MONTHS AFTER YEAR END	5 MONTHS	6 MONTHS
TRUST RETURN FORM 1041	APRIL 15	UNCHANGED	SEPT. 15	SEPT. 30
FinCEN FORM 114	JUNE 30	APRIL 15	NONE	6 MONTHS (OCT. 15)

The law as it existed did not permit an extension of time to file.

Under the new law, for tax years beginning after Dec. 31, 2015, the due date of FinCEN Form 114 is April 15, with a maximum six-month extension, making the return due on or before October 15.

Revised extension periods

The IRS provides taxpayers the opportunity to request an extension of time to file most tax returns. Effective for tax years beginning in 2016, the new law directs the Department of Treasury to modify its Regulations to provide even more time to file a number of forms:

- Under the new law, C Corporations will have up to six months to file an extension. However, calendar-year corporations receive a five-month extension until tax year beginning in 2026, while those whose fiscal year ends June 30 will have a seven-month extension until 2026.

- Taxpayers required to file Form 1041, U.S. Income Tax Return for Estates and Trusts (an original due date of the fifteenth day of the fourth month after its tax year end) can currently request a five-month extension of time to file this return. The new law increases that time to five and a half months, or September 30 for calendar year taxpayers. This law is effective for tax periods beginning after December 31, 2015.

- Partnerships filing Form 1065, U.S. Return of Partnership Income, can request a maximum extension of six months for tax years beginning in 2016. Currently, a five-month extension may be requested. Since the original due date under the new law was reduced by one month, the extended due date remains September 15 for calendar year taxpayers.

Thomas R. Brex, CPA, is the partner in charge of tax services of the Columbus office of Mayr & Associates, LLC, a division of BHM CPA Group.

TAKEAWAYS

► On July 31, 2015, President Obama signed P.L. 114-41, although primarily designed as a temporary stopgap extension of the Highway Trust Fund, it included a number of important tax provisions.

► C corporations using a calendar tax year will need to file by April 15 of the following year for tax years beginning in 2016.

► S corporation original filing due dates and extended due date are unchanged.

► For tax years beginning after Dec. 31, 2015, partnerships must file their returns by the 15th day of the third month following the end of their tax year (or request an extension).

► For tax years beginning after Dec. 31, 2015, the due date of FinCEN Form 114 is April 15, with a maximum six-month extension, making the return due on or before October 15.

► The new law directs the Department of Treasury to modify its Regulations to provide even more time to file extensions, Form 1041 and Form 1065

Uniform Guidance: A year in review

By Angie Lewis, CPA

Uniform Guidance made sweeping changes to previous grant guidance found in eight individual Federal Office of Management and Budget (OMB) Circulars. The original concept of the Uniform Guidance was introduced by Presidential executive order with the goal of reforming federal regulations in order to reduce the administrative burden of grant operation and the risk of waste, fraud and abuse related to federal funding. Uniform Guidance accomplished this, in part, by eliminating duplicative or conflicting guidance that presented challenges in the application of these requirements. Uniform Guidance has not only consolidated federal grant guidance, but introduced regulation changes as well.

Professionals impacted by Uniform Guidance have likely been preparing for and implementing the changes for quite some time. The administrative requirements and cost principles of the Uniform Guidance were effective for all new awards and incremental funding to existing awards made on or after Dec. 26, 2014. Existing federal awards before that date continued to be governed by the terms of the original award. For some entities this resulted in having grants, or portions of grants, that were governed by either Uniform Guidance or previous OMB Circulars within the same year.

While the Uniform Guidance changes are too numerous to detail in an overview, certain significant changes continue to be discussed and bear reiterating.

One such change was the emphasis placed on required internal controls related to federal awards that will provide reasonable assurance an entity is managing federal awards in compliance with the terms and conditions of the awards. Documenting internal controls governing federal awards will assist both the entity and the entity's auditors in determining this requirement is met.

The Uniform Guidance outlines five procurement methods that an entity must follow. The federal government provided a grace period of one full fiscal year after the effective date of the Uniform Guidance for compliance with Uniform Guidance procurements standards. An entity must document which standard it is following during the grace period, and must meet the documented standard.

'Time and effort reporting' language was replaced with 'compensation – personal services' in the Uniform Guidance. This new language intended to reduce the administrative burden of documenting time and effort and has less prescriptive documentation requirements while placing greater emphasis on internal

controls. Compensation charged to federal awards, however, must still be based on records that accurately reflect the work performed.

There were also significant changes to indirect cost requirements in the Uniform Guidance. Federal agencies must accept an entity's negotiated indirect cost rate, except in certain limited circumstances. Uniform Guidance also allows for a one-time extension of negotiated rates if there are no major changes to an entity's indirect costs. If the extension is approved, the entity would not be allowed to request a rate review until the extension period ends. Entities that have never received a negotiated indirect cost rate may elect to charge a de minimis rate of 10% of modified total direct costs which may be used indefinitely.

The Uniform Guidance clarified the specific information pass-through entities should provide in subrecipient agreements that will facilitate compliance with federal award requirements. New language requires pass-through entities to perform a risk assessment related to a potential recipient prior to making an award. Based on this risk assessment, a pass-through entity must monitor the activities of the subrecipient to ensure that the subaward is managed in compliance with grant terms and that subaward performance goals are achieved.

The audit requirements section of the Uniform Guidance (Subpart F) became effective for fiscal years beginning on or after Dec. 26, 2014 and are likely effective for your most recent or upcoming single or program audit. Significant changes in this part include:

- The threshold at which a single or program audit is required increased from $500,000 to $750,000 in federal awards expended during the fiscal year
- The Type A minimum threshold increased from $300,000 to $750,000 along with a revision to the risk assessment criteria
- The Type B risk assessment criteria and threshold for analysis has been modified
- The percentage of coverage rule has been reduced from 50% to 40% for non low-risk auditees and from 25% to 20% for low-risk auditees
- The criteria for low-risk auditee status has been updated
- The known and likely question costs threshold for reporting findings has increased from $10,000 to $25,000
- Elements of a finding have been revised and clarified
- Any applicable corrective action plan must be a separate document from the schedule of findings and questioned costs

Transparency and accountability remain a focus of the Uniform Guidance in order to improve the performance and oversight of federal awards while better targeting financial risks. While significant efforts may be necessary to implement the changes, the anticipated result is a strong federal award management process along with a reduction in the administrative burden going forward.

Angie Lewis, CPA, is a director at Crowe Horwath LLP.

TAKEAWAYS

- The administrative requirements and cost principles of the Uniform Guidance were effective for all new awards and incremental funding to existing awards made on or after Dec. 26, 2014.
- One change was the emphasis placed on required internal controls related to federal awards that will provide reasonable assurance an entity is managing federal awards in compliance with the terms and conditions of the awards.
- 'Time and effort reporting' language was replaced with 'compensation – personal services' in the Uniform Guidance.
- Federal agencies must accept an entity's negotiated indirect cost rate, except in certain limited circumstances.
- The Uniform Guidance clarified the specific information pass-through entities should provide in subrecipient agreements that will facilitate compliance with federal award requirements.
- The audit requirements section of the Uniform Guidance (Subpart F) became effective for fiscal years beginning on or after Dec. 26, 2014 and are likely effective for your most recent or upcoming single or program audit.

Lease standards at a glance

By Tiffany Crosby, CPA, OSCPA Senior Manager, Learning

The much anticipated leasing standards, ASU 2016-02 issued Feb. 25, 2016, will put leases onto company balance sheets for the first time, leaving many companies scrambling to figure out an implementation plan. We've created this timeline your organization can follow to keep up with the new rules.

Transition timeline and action plan: Public companies and certain not-for-profit entities and employee benefit plans

Implementation Timing: 1/1/2019 (FY beginning after 12/15/2018 and associated interim periods) The timeline below was created as a representative example of a high-level work plan for implementation of the new leasing standard as of the effective date recently communicated by FASB. Companies planning to early adopt the standard would need to accelerate the entire work plan to achieve the desired implementation date.

2016: Create awareness and develop lease strategy and leasing standard implementation plan

- Educate finance staff, senior team, and key internal and external stakeholders on new leasing standards
- Review lease inventory to determine company's leasing profile
- Understand the implications of industry-specific leasing guidance (e.g.. carried forward as is, carried forward with modification, eliminated)
- Identify specialized situations or terms that require interpretation of guidance
- Determine strategy for lease renewals and new leasing contracts that will be executed prior to lease adoptions
- Determine whether to pursue lease modifications or terminations
- Evaluate current tracking of lease data to identify information gaps
- Establish plan to close information gaps to enable evaluation of lease impact and ongoing compliance

2017: Determine effect of adoption of lease standard

- Evaluate specialized situations and document preliminary conclusions on application of accounting guidance
- Review existing contractual arrangements with an emphasis on covenants for lease arrangements extending beyond lease standard adoption date
- Implement data gathering action plan
- Update leasing inventory/track to reflect all data required to properly account for leases
- Determine discount rate to use for lease present value calculation
- Perform test calculation of present value of leases
- Identify problems in performing calculation
- Develop action plan to address issues identified in test calculation
- Initiate any required consultations
- Update accounting policies as appropriate

2018: Manage change

- Update calculation with refined information
- Determine potential affect to balance sheet and related financial statement ratios
- Determine potential affect to income statement and statement of cash flows, if any
- Work with third-parties to renegotiate covenants or terms, if necessary
- Communicate with key stakeholders around effect of change
- Define process for tracking changes to lease terms

2019: Implement

- Perform required calculations at adoption
- Retrospectively adjust financial statements
- Implement new processes

Transition timeline and action plan: all other companies

Implementation timing: (1/1/2020 (FY beginning after 12/15/2019) for annual, 1/1/2021 for interim periods

The timeline below was created as a representative example of a high-level work plan for implementation of the new leasing standard as of the effective date recently communicated by FASB. Companies planning to early adopt the standard would need to accelerate the entire work plan to achieve the desired implementation date.

2016: Awareness and education

- Educate finance staff, board members, and bankers on the new leasing standards
- Develop an awareness of private company accounting elections available for leases
- Review lease inventory to determine company's leasing profile
- Understand the implications for industry-specific leasing guidance (e.g. carried forward as is, carried forward with modification, eliminated)
- Monitor developments in the leasing standards as public companies begin implementation

2017: Develop lease strategy and leasing standard implementation plan

- Determine strategy for lease renewals and new leasing contracts that will occur prior to standard adoption
- Determine whether to pursue lease modifications or lease renewals
- Evaluate current tracking of lease data to identify information gaps
- Establish plan to close information gaps to enable evaluation of lease impact and ongoing compliance
- Identify specialized situations and establish plan for consultation

2018: Determine effect of adoption of lease standard

- Review existing contractual arrangements with an emphasis on covenants for lease arrangements extending beyond lease standard adoption date
- Consult on specialized situations
- Implement data gathering action plan
- Update leasing inventory/track to reflect all data required to properly account for leases
- Determine discount rate to use for lease present value calculation
- Perform test calculation of present value of leases

Continued next page

This table highlights key requirements of the ASU 2016-02 released February 25, 2016

NEW REQUIREMENT	WHAT THIS MEANS	IMPLICATIONS
LEASES MOVED ON BALANCE-SHEET WITH LIMITED EXCEPTIONS	MOST EXISTING OFF-BALANCE SHEET OPERATING LEASES WILL APPEAR ON BALANCE SHEET UPON ADOPTION OF STANDARD RESULTING IN AN INCREASE IN BALANCE SHEET ASSETS AND LIABILITIES.	NEED TO DISTINGUISH BETWEEN LEASES AND SERVICE CONTRACTS, AS WELL AS IDENTIFY SEPARATE LEASING COMPONENTS CONTAINED WITHIN THE SAME CONTRACT. NEED TO CALCULATE AND RECORD LEASE LIABILITY BASED UPON PRESENT VALUE OF REMAINING LEASE PAYMENTS, AND RECORD A CORRESPONDING LEASE ASSET. KEY BALANCE SHEET RATIOS COULD CHANGE AS WELL AS DEBT COVENANT PERFORMANCE AND BORROWING CAPACITY.
TWO MODEL APPROACH USED: FINANCE LEASES AND OPERATING LEASES	FINANCE LEASES WILL RECOGNIZE AMORTIZATION OF THE RIGHT-TO-USE ASSET SEPARATELY FROM INTEREST ON LEASE LIABILITY. OPERATING LEASES WILL RECOGNIZE AS ONE NET AMOUNT ON A STRAIGHT-LINE BASIS.	GAAP NOT FULLY-CONVERGED WITH IFRS 16 WHICH ONLY USES THE FINANCE LEASE APPROACH. COMPANIES WITH INTERNATIONAL REPORTING WILL NEED TO DETERMINE HOW TO COMPLY THE DUAL ACCOUNTING APPROACH. TYPE A RIGHTS OF USE ASSETS AND LEASE LIABILITIES PRESENTLY OR DISCLOSED SEPARATELY FROM TYPE B RIGHT OF USE ASSETS AND LIABILITIES. RIGHT OF USE ASSETS PRESENT OR DISCLOSED SEPARATELY FROM OTHER ASSETS. LEASE LIABILITIES PRESENTED OR DISCLOSED SEPARATELY FROM OTHER LIABILITIES.
CALCULATE PRESENT VALUE OF FUTURE LEASE PAYMENTS TO DETERMINE VALUE OF RIGHT-OF-USE ASSETS	OPTIONS TO EXTEND THAT HAVE A SIGNIFICANT ECONOMIC INCENTIVE AND VARIABLE LEASE PAYMENTS BASED ON AN INDEX OR RATE INCLUDED IN THE CALCULATION. CONTINGENT (PERFORMANCE-BASED) TERMS EXCLUDED FROM THE CALCULATION. RESIDUAL VALUE GUARANTEES AND PENALTIES FOR TERMINATING LEASES WOULD ALSO BE INCLUDED.	REPORTING ENTITIES WILL NEED TO DETERMINE APPROPRIATE DISCOUNT RATE (I.E., IMPLICIT RATE OR INCREMENTAL BORROWING RATE), LEASE TERMS, AND LEASE PAYMENTS ON A LEASE-BY-LEASE BASIS TO INCLUDE WITHIN THE CALCULATION.
NEW REQUIREMENT	WHAT THIS MEANS	IMPLICATIONS
REASSESSMENTS UPON CERTAIN CIRCUMSTANCES	REASSESSMENT OF LEASE PAYMENTS AND RE-MEASUREMENT OF THE LEASE LIABILITY AND THE RIGHT OF USE ASSET IS REQUIRED IF THERE IS A SIGNIFICANT CHANGE IN LEASE TERMS, CHANGE IN FACTORS THAT WOULD CAUSE A PAYMENT TO BE INCLUDED OR EXCLUDED FROM THE FAIR VALUE CALCULATION, OR CHANGES IN AN INDEX OR RATE USED TO DETERMINE LEASE PAYMENTS.	COMPANY NEEDS A PROCESS TO TRACK CHANGES IN CRITICAL TERMS THAT AFFECT THE VALUATION OF THE LEASE.
DISCLOSE ADDITIONAL QUALITATIVE AND QUANTITATIVE INFORMATION ON LEASES	DISCLOSURES WILL INCLUDE EXPENSE INFORMATION, CASH PAYMENTS, SUPPLEMENTAL NONCASH INFORMATION, WEIGHTED-AVERAGE REMAINING LEASE TERM, MATURITY ANALYSIS, AND GAINS AND LOSSES ON SALE AND LEASEBACK TRANSACTIONS.	COMPANIES WILL NEED TO DETERMINE WHAT INFORMATION THEY ALREADY CAPTURE WITHIN THEIR LEASE SYSTEM AND ESTABLISH A PLAN TO CLOSE THE GAPS.
THE GAPS TRANSACTION-SPECIFIC CHANGES INCORPORATED	CERTAIN REAL-ESTATE SPECIFIC GUIDANCE ELIMINATED OR MODIFIED.	SPECIFIC INDUSTRIES (E.G., REAL ESTATE) WILL NEED TO INVEST MORE TIME AND EFFORT INTO ANALYZING THE IMPACT OF THE NEW ACCOUNTING STANDARDS.
REVISED DEFINITION OF SOME LEASE TERMS	SOME EXCEPTIONS TO CAPITAL LEASE TREATMENT NOT CARRIED FORWARD TO NEW GUIDANCE.	LEASE ANALYSIS DONE UNDER EXISTING STANDARDS MAY NOT BE A GOOD INDICATOR OF A TYPE A OR TYPE B LEASE IF A CURRENT EXCEPTION TO THE QUALIFICATION CRITERIA WAS NOT CARRIED FORWARD OR THE DEFINITION OF A KEY TERM WAS MODIFIED.
MODIFIED RETROSPECTIVE APPLICATION	LEASES ARE RECOGNIZED AND MEASURED AT THE BEGINNING OF THE EARLIEST PERIOD PRESENTED.	RIGHT USE OF ASSET CALCULATIONS CAN BE DETERMINED BY CALCULATING PRESENT VALUE OF MINIMUM LEASE PAYMENTS.

- Identify problems in performing calculation
- Develop action plan to address issues identified in test calculation

2019: Manage change

- Update calculation with refined information
- Determine potential affect to balance sheet and related financial statement ratios
- Determine potential affect to income statement and statement of cash flows, if any
- Work with third parties to renegotiate covenants or terms, if necessary
- Communicate with key stakeholders around effect of change
- Define process for tracking changes to lease terms

2020: Implement (Annual Only)

- Perform required calculations
- Implement new processes

The coaching conundrum

By Jessica Salerno, OSCPA content manager

What if, right now, the future leaders of your organization were looking for career opportunities elsewhere? Convincing your best mid-level people not to leave could be as simple, and as crucial, as investing in their long-term professional development.

"People follow leaders first and the culture second. Don't just do one workshop on how to coach. Go on a journey," said Tim Kight, founder and CEO of leadership and culture company Focus3. "This is all about building skills, and the thing about skill building is repetition. You can't just find it in one book, or one seminar, you're talking about behavior change and culture change and that takes time."

Kight, who will speak May 11 at the OSCPA Business Excellence Symposium, has worked previously with organizations such as EY, Grant Thornton and The Ohio State University football team. Kight has seen firsthand the impact losing potential leaders can have on an organization.

Why care? The cost of turnover

Of course, it's not unusual for those with five plus years of experience under their belt to look around the industry and change employers. But there's a difference between an employee looking for a new position because they're genuinely interested in a different path versus those looking for a new position because their current company isn't investing in their personal and professional growth.

But what does it cost companies to search for and replace their departing employees? It turns out, potentially thousands of dollars. According to a Center for American Progress Research study *There Are Significant Business Costs to Replacing Employees*, it can cost businesses "about one-fifth of a worker's salary to replace that worker." This cost covers a variety of factors, including lost productivity and institutional knowledge, loss of morale in the team, and finding and interviewing new job candidates, among others.

This sore spot hasn't gone unnoticed by the accounting profession. According to the 2015 *PCPS CPA Firm Top Issues Survey* from the AICPA, retaining qualified staff remained the number-one concern for firms with 11 to 21 and 21 or more professionals, and was in the top five concerns for firms with six to 10 professionals.

"These places are attracting students into the organization and then they're having pretty strong leakage, at four, five, six years into their career," said Tiffany Crosby, CPA, OSCPA senior manager of learning. "They're losing their experienced people who are right at that early manager level, so they have this big gap for people."

People in mid-level positions frequently are left without training for the next big step in their career, which often involves managing direct reports. That leaves many without the necessary tools they need to succeed beyond their technical skills. This is all part of what Kight calls "the doom loop," when it comes to companies promoting a coaching culture. He'll sit down with an organization's leaders and ask why they don't coach their employees, to which the response is usually "I don't have the time, because I'm doing other people's work." When he then asks why they're doing other people's work, the answer is because they don't have confidence in their employees. Kight again asks why, and the leaders say it's because they haven't properly coached their employees. And the reason they don't coach them? Because they don't have the time.

The millennial factor

The result is experienced employees leaving in search of better opportunities. Employees who stay are left without coaching skills but promoted, only to perpetuate the cycle. Years ago, a personal, soft-skills emphasis might have been scoffed at in favor of more technical expertise, but today a lack of focus on developing mid-level leadership skills is a top concern for millennials.

More than six in 10 millennials say their "leadership skills are not being fully developed," according to Deloitte's Millennial Survey of 2016. Even more telling is that 71% of those likely to leave in the next two years are unhappy with how their leadership skills are being developed, which is 17 points higher than those employees who plan to stick around past 2020. Meanwhile, the most loyal employees were more likely to agree that in their companies:

- There is a lot of support/training available to those wishing to take on leadership roles; and
- Younger employees are actively encouraged to aim for leadership roles.

With a seemingly obvious demand for leadership training, what's stopping employers from investing in their experienced employees? It turns out that old habits really do die hard.

"The management style in many of these companies is still very much command and control," Crosby said. "Those styles do not work anymore. Today it's this idea of constant collaboration and integration and questioning and looking for better ways to do things."

A new approach

But not all organizations are content with the old-school style, and are investing in new approaches to develop their staff and future leaders.

"I think it's important to say that for an organization to be successful the learning culture has to be ingrained from the beginning – we all need to be lifelong learners," said Laura Rohde, director of human resources at Skoda Minotti.

Rohde is the driving force behind Skoda Minotti's new in-house university, called University of Promise, which will formally debut in May. The program consists of training classes and learning tracks for every level and position in the company, including management and leadership tracks. They're using an assessment tool called the Birkman Method as a way of profiling their employees to understand their strengths and blind spots, and are using that knowledge to implement a style of coaching that each individual will best respond to. Another benefit of the program has been the cost and time saved.

"We're saving the firm money as opposed to going to other vendors," Rohde said. "We have skilled facilitators because of our Train-the-Trainer initiative where we educated our team on adult learning best practices. It was part of our strategy to have more skilled facilitators for new hire orientation and our university."

Walthall CPAs in January began their revamped mentoring program on a size and scale "unlike anything we've

ever done before," said Paul Weisinger, CPA, partner at Walthall CPAs. They're starting with an agreement between a mentor and mentee as a sign of good faith. The relationship will give the mentee the opportunity to discuss conflict resolution, personal growth and any other career-related questions they might want to ask in a confidential conversation. They are also working on developing a learning ladder perfect for those eager to grow within the company.

"It is all about perspective, because you can't expect someone who doesn't have 15, 16, 17 years of experience to have a perspective like mine," Weisinger said. "They have the perspective of a perfect five-year person."

Although professionals should develop their technical aptitude throughout their careers, Weisinger emphasized the importance of developing other skills to stand out as a leader.

"If we think about it, technical skills don't really define someone or move them up into the C-Suite or in the partner level," he said. "If you're just technical that's great, but that will only get you so far."

"Everyone I know who is in a key leadership position today, multiple people helped them get there," Kight said. "Nobody got there on their own."

To coach or not to coach

Pease & Associates is another firm that has caught the coaching bug. They're developing a program where all associates can learn coaching and leadership skills. Over the course of the year they'll work on personality profiles to learn about each other's different communication skills and then use a role-playing workshop to act on everyday scenarios, said Vice President of Operations Tina Moore.

"In the long run we'll continue to evolve our people internally with better skills and as they move up the ranks they'll be equipped with all the proper tools as managers and leaders of the firm," Moore said.

So what will become of the businesses that leave leadership, culture and coaching training as another task on their to-do list? The future leaders of those companies could already be scrolling through the job search pages.

"That doesn't work today," Weisinger said. "A successful firm is going to spend time in mentoring and coaching and the unsuccessful firms will not."

Growth, culture and retention focus of upcoming Business Excellence Symposium

Growing an organization means having the right people.

Having the right people means cultivating a culture of coaching, diversity and problem-solving. OSCPA's upcoming Business Excellence Symposium, May 11 in Westlake, is geared toward exactly these issues.

Gain actionable tips from national leaders, such as:

Tim Kight, founder & president, Focus3

- Learn the concrete steps to creating an organizational culture that breeds champion performance.
- Explore the science behind productive discomfort, and why it's crucial to growth.

Dr. Marilyn Tam, author, corporate consultant, international entrepreneur

- Discover why embracing and leveraging diversity is the only way to prosper in the 21st Century.
- Understand how to grow your unique leadership styles to foster a multicultural workplace and attract and engage employees from across the cultural spectrum.

Todd Henry, founder of Accidental Creative

- Develop a framework for developing better solutions to organizational challenges.
- Understand why so many people and teams get stuck in a place of mediocrity, and how to avoid these common pitfalls so that you can be a better problem-solver.

Barry Melancon, CPA, CGMA, president & CEO, AICPA

- Stay ahead of the curve with the latest information affecting the business and accounting community nationally and globally.
- Gain insight into some of the major initiatives underway and on the horizon, including the latest details on the CGMA credential and AICPA's partnership with CIMA.

Register now for your ticket to professional and personal growth.

Can't get away from the office? Tune in via webcast and catch valuable insights right from your desk or mobile device.

Event Details:

2016 Business Excellence Symposium
May 11 | Westlake
In Person #48664
Webcast #48677

Executive Board nominees announced

The Ohio Society of CPAs Nominating Committee has announced the slate of candidates to fill the top leadership positions in OSCPA through 2019.

These CPAs, who will represent your interests and drive OSCPA's strategic priorities on the Executive Board, hail from a wide swath of sectors in Ohio.

The committee unanimously recommended Sandra Richtermeyer, Ph.D., CPA, CMA as OSCPA's 2016-2017 chair-elect candidate for the Executive Board, along with five nominees for director. If approved by the membership, she will serve as chair of the board for the 2017-2018 activity year.

The chair-elect serves a three-year term on the Executive Board, one year each as chair-elect, chair and past chair.

Three of the five nominees for director will serve a term of three years from 2016 to 2019; the two others will serve a one-year term, from 2016 to 2017.

Pending election, the new board members will begin their terms of service May 11 at OSCPA's Annual Meeting and Business Excellence Symposium. At that time, William (Bill) Chorba III, CPA, CGMA who serves as CFO of Nine Sigma, Inc. in Beachwood will be inducted as chair of the board. Thomas M. Zaino, CPA, J.D. with Zaino Hall & Farrin LLC, Columbus will become past-chair. Robert A. Bosak, CPA with Kaplan Trucking Company, Cleveland will continue as vice chair, finance.

Chair-Elect

Sandra B. Richtermeyer, Ph.D., CPA, CMA
Associate Dean, Williams College of Business, Xavier University, Cincinnati

Sandy is the associate dean of the Williams College of Business at Xavier University, where she oversees programs and teams that support the college's 1,200 undergraduate majors and 500 graduate students. She has direct oversight for the college's MBA programs. She also frequently speaks on topics of governance, risk management, internal controls, technology implementation, leadership, performance management and strategy.

Sandy served as chair of Institute of Management Accountants (IMA) from 2010-2011; board member of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2011-present; president of the Ohio Region of the American Accounting Association from 2013-2014; and from 2012-2015 served in vice president roles in the American Accounting Association's Accounting Programs Leaders Group.

She has served on OSCPA's Executive Board since 2014 and is a member of the AICPA Council.

Director Nominees

Robert A. Bosak, CPA
Chief Financial Officer, Kaplan Trucking Company, Cleveland

Nominated as: Vice Chair Finance; Director, one-year term

Bob is the Chief Financial Officer of Kaplan Trucking Company, a Cleveland-based national trucking firm. Prior to joining Kaplan, Bob spent 20 years in various corporate controller roles and five years in public accounting. Bob has significant experience in the areas of financial reporting, KPI development and analysis, forecasting, merger and acquisition and investor/banker relations. He has been a member of the OSCPA Executive Board since 2013.

Michael J. Elliott, CPA, Principal, DittrickCPA, Burton

Nominated as: Director, three-year term

Michael has been in public practice since 2007, and in January transitioned into the role of 100% owner and Managing Principal of his firm.

Michael serves clients in the manufacturing, agriculture, construction and professional services sectors

He also serves on the AICPA's PCPS Executive Committee and is the incoming vice-chair for the 2016 AICPA EDGE Experience. In 2009, he was the youngest CPA in the state of Ohio to be licensed at that time. Michael is a graduate of the AICPA's Leadership Academy.

He has served on numerous OSCPA committees since 2011 including the Public Relations Advisory Council.

Darlene E. Finzer, CPA, QKA, CSA
Principal, Director of Benefit Plan Audit Services, Rea & Associates, Inc., New Philadelphia

Nominated as: Director, three-year term

Darlene is responsible for overseeing her firm's employee benefit plan audit practice.

She helps employee benefit plan sponsors obtain the tools and education needed to ensure ongoing compliance and continued organizational improvement.

Considered by many to be a thought leader in the fields of employee benefit plan audit requirements, retirement readiness, fiduciary responsibility and retirement plan compliance, Darlene has been recognized as the inaugural Accountant of the Month by Accounting Today; was chosen as inaugural recipient of Rea & Associates' Chet Stocker Award for Service to the Profession, and was recognized for her accomplishments by Kent State University Tuscarawas, her alma mater, as a Distinguished Alumni.

She is a member of the Kent State University Tuscarawas Accounting Advisory Committee, and has served on numerous OSCPA committees since 2009.

Owen J. Wyss, CPA
Financial Controller, Thompson Concrete Foundations, Ltd., Carroll

Nominated as: Director, three-year term

Over his seven years of public accounting experience, Owen worked with public and private companies and nonprofit organizations. In addition to auditing and accounting services, Owen's activities included internal control consulting and fraud and forensic accounting and investigative services.

He joined Thompson Concrete Foundations, Ltd. in Carroll in 2015. As the financial controller, he is learning the concrete and construction businesses while helping to implement financial and regulatory reporting, operating efficiencies and manage safety and business risks.

Previously he served as Chairperson of the OSCPA Young CPA Leadership Board, Treasurer for JDRF, Mid-Ohio Branch, and president of The Rotaract Club of Columbus, Rotary International's community for young adults.

He has served on OSCPA's Executive Board since 2014.

OSCPA and you: Together, we are advancing the state of business!

Watch your mailbox – Your 2016-2017 dues invoice for membership is in the mail. OSCPA has a few new options for you to explore with your renewal:

- Complimentary access to Advance - a new program offering up to 12 hours of specialized knowledge - that brings emerging trends in the profession into sharper focus.
- A buy one, get one free Special Interest Section to help build your knowledge and grow your peer-to-peer community.
- A variety of business-building networking events - ranging from Learning Labs to OSCPA Connect! and YCPA Connect! events - designed to connect you with peers and leaders in the broader business community.
- A re-engineered Career Center to help you advance your career or find qualified talent to optimize your organization's performance.

To learn more, visit **www.ohiocpa.com** or call your Member Service Center at **(800) 686-2727**.

Membership Dues

CPA, senior management (partner, shareholder or senior management position in a public accounting firm, sole practitioner, or in a business/industry as an officer or other senior management position) **$490**

CPA, non-senior management **$325**

Non-resident member (members who work and live outside Ohio) **$160**

Affiliate (not a CPA – students and emerging professionals excluded) **$160**

Emerging professional (accounting professional who is one year or less removed from college and is not a CPA) **$160**

Retired CPA (work fewer than 20 hours per week or 1,000 hours per year) **$160**

Student affiliate (attending college full or part-time and not a CPA) **N/C**

Lifetime Member (Through the 2017 dues billing cycle, those who have been members for at least 25 consecutive years and reached the age of 70; effective as of the 2018 dues billing cycle, those who have been members for at least 40 consecutive years and reached the age of 70) **N/C**

Timothy B. Michaels, CPA
Owner, TimeLess Consulting, LLC, Dublin

Nominated as: Director, one-year term

Tim worked for two international public accounting firms for 41 years, retiring as a Partner from Deloitte LLP in June 2012 after 10 years of providing professional client services and assisting with the growth of the Columbus practice.

His business, TimeLess Consulting, LLC, serves as a trusted advisor to privately-held businesses, their owners and families, offering effective strategic tax planning to help them achieve their goals and objectives.

Tim served in the Ohio National Guard Reserves from 1971-1977. He has been an adjunct professor at Cuyahoga Community College, The Capital University Law School Masters in Tax Program and The Ohio State University Fisher School of Business.

Tim has served on OSCPA's Executive Board since 2014.

Continuing board members are:

- **Marie A. Brilmyer, CPA, M.Acc. Audit Senior Director, BDO USA, LLP, Akron**
- **Donald L. Mellott, Jr., CPA Managing Partner, Mellott & Mellott PLL, Cincinnati**
- **Jamie Menges, CPA, CFP® Partner, PDS Planning, Columbus**
- **Russell J. Meyer, CPA, CMA CFO, White Castle System, Inc., Columbus**
- **Thomas G. Seiler, CPA, CGMA, DBA, J.D. Dean, Ross College of Business, Columbus**
- **John J. Venturella, CPA, J.D. Shareholder, Clark Schaefer Hackett & Co., Dayton**

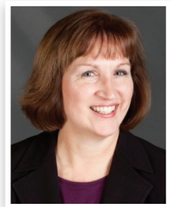
In accordance with the Society's bylaws, publication of the Nominating Committee report constitutes notification to the membership of the recommended slate of candidates for the 2016-2017 Executive Board. The election process stated in the bylaws requires action by the Executive Board to accept the Nominating Committee report, and subsequent presentation to the membership in a publication of the Society. The bylaws specify the process by which alternate names may be recommended by the membership; however, if no alternate candidates are nominated within 30 days of publication, the candidates shall be considered to be elected.

Members in Motion

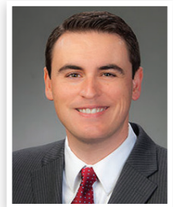

Laura King, CPA, MT


Michael Hydell, CPA


Kenneth Sable


Cathy A. Robinson, CPA


Tracy L. Bender, CPA


Jeffrey Harden, CPA

AKRON

MICHAEL HYDELL, CPA, has been promoted to senior manager at Bober Markey Fedorovich.

KARYN KAIL has recently been hired as a senior accountant at Bober Markey Fedorovich.

LAURA KING, CPA, MT, has been promoted to partner at Bruner Cox LLP.

KENNETH SABLE has recently been hired as senior manager at Bober Markey Fedorovich.

DANE SCHAFFER has recently been hired as staff accountant at Levin Swedler Kennedy.

CANFIELD

JESSIE WRIGHT, CPA, of Schroedel, Scullin & Bestic, LLC (SSB), CPAs and Strategic Advisors has successfully completed her CVA designation.

CINCINNATI

GBQ has recently acquired Ernst & Rabe.

CLEVELAND

TRACY L. BENDER, CPA, and **CATHY A. ROBINSON, CPA, CGMA,** have recently been promoted to principals at HW & Co.

JAMI BLAKE, CPA, has been promoted to assistant technical director at Cohen & Company.

ERIKA BUZALKA, DREW DELEO, and **ALEX SCHULTE** have recently been hired as staff accountants at Skoda Minotti.

DANIJELA CELAN, BROOKE HASTINGS, JACK JENNEMANN, and **LAURA SIMKO** have recently been hired as staff accountants at Cohen & Company.

ALEX CHUNA, DEB ELFERS, LAURA SEFCIK and **MARILYN SURBEY** have been promoted to senior staff accountants at Cohen & Company.

COHEN & COMPANY recently acquired GHD CPAs and Advisors.

ALEXANDRA COTTAM, CPA, has been promoted to director at Cohen Fund Audit Services.

MATHEW CUNNINGHAM, CPA, JOSHUA MESSINA, CPA, and **RAYMOND POLANTZ, CPA,** have been promoted to partners at Cohen & Company.

JOE DIFRANCO, CPA, and **JENNA SANTISI, CPA,** have been promoted to managers at Cohen & Company.

MIKE MAIMONE, CPA, has been promoted to senior manager at Cohen Fund Audit Services.

LISA METZINGER, CPA, DONNA WEAVER, CPA, and **LAURA WHITE, CPA,** have been promoted to directors at Cohen & Company.

JUDITH MONDRY, CPA, of Walthall CPAs has recently been named the community outreach director of CREW Cleveland.

RANDALL MYEROFF, CPA, of Cohen & Company has recently been named an Advisory Board Member at TIAG.

SAMANTHA OLSCHANSKY, CPA, has recently been hired as tax manager at Cohen & Company.

SKODA MINOTTI has been named to the Weatherhead 100 for the second consecutive year.

KATHRYN STIWALD, CPA, of Walthall CPAs has recently been named to the board of directors of Easter Seals Northern Ohio.

GREG SPEECE, CPA, has been promoted to senior manager at Cohen & Company.

COLUMBUS

BHM CPA GROUP. INC. is the new firm resulting from the merger of Mayr & Associates, LLC, Balestra, Harr & Scherer, Inc., and Peck & Martin, Inc.

JEFFREY HARDEN, CPA, has recently been hired as senior manager at GBQ.

HOLBROOK & MANTER, CPAS and Professional Services Firm has recently acquired DJG Financial Consulting, LLC.

RYAN P. KRAMER has recently been promoted to principal at HW&Co.

CASSIE SHEARER, CPA, has recently been promoted to partner at GBQ.

DAYTON

KEVIN R. HAGSTROM, CPA, and **CHRISTOPHER C. MCCASKEY, CPA,** have been promoted to partner at Flagel Huber Flagel.


Ryan P. Kramer


Cassie Shearer, CPA


Christina L. Sensenbrenner, CPA


Benjamin J. Tuschong, CPA


Salvatore J. Caroniti, CPA

CHRISTINA L. SENSENBRENNER, CPA, and **BENJAMIN J. TUSCHONG, CPA,** have recently been promoted to shareholders at Thorn Lewis + Duncan, Inc.

MENTOR

STACI LAUER has recently been hired as an intern at Rea & Associates.

NEW PHILADELPHIA

SAMANTHA TROXELL has recently been hired as an intern at Rea & Associates.

WESTLAKE

SALVATORE J. CARONITI, CPA, has recently been hired as Chief Operating Officer at Corrigan Krause CPAs.

YOUNGSTOWN

JOHN STOOPS and **SCOTT WILMS** have recently been hired as staff accountants at Cohen & Company.

ACAP-Ohio: Impacting students and the profession

By Jennifer Rieman, CAE, manager, public relations

Sometimes all it takes is one person, or one event, to change a life's direction. Such was the case for Jason Grant, currently a freshman at The Ohio State University and a graduate of the Accounting Careers Awareness Program (ACAP-Ohio) in the summer of 2015.

The week-long program for minority high school students interested in exploring careers in accounting and business is presented by The Ohio CPA Foundation, The Ohio Society of CPAs and the National Association of Black Accountants (NABA). ACAP-Ohio solidified for Grant that accounting was the right career path. Before he attended the program he wasn't so sure.

"When you look on TV you don't see black accountants," Grant said. "That's why I always had that stigma in the back of my mind that it's going to be a job where you're going to be in a cubicle all day crunching numbers."

Driven from a young age, Grant spent his middle and high school years exploring different career options. He considered both veterinary medicine and cardiothoracic surgery before settling on business.

"Going into ACAP, I knew I wanted to be in business and do consulting work, but I didn't know how to get there," he said. "Talking it over with some of the coordinators and recruiters, they told me if you really want to get there, major in accounting, get your CPA and add a finance degree if you can."

Grant took their advice and declared for accounting when he entered OSU last fall.

"It's really because of ACAP that I have an internship as a freshman," he added. "The networking opportunities were really the biggest thing that jumpstarted me. Just staying in touch with the recruiters over the summer, it's what kept me in mind when those opportunities came about."

Many professions are working on creating more diverse and inclusive workforces. When Grant interned at the Cleveland Clinic's Office of Diversity & Inclusion in high school, his experience convinced him that early exposure to career paths is the best way to reach minority students.

"A lot of students are set on doing basketball or football – they don't know about the other opportunities that are out there. They see black women and men playing sports and think that's my way to success. And it's really misconstrued, because yes, there are a lot of people of color that have made it through sports, but in the grand scheme of things not everybody does." Programs like ACAP-Ohio, in Grant's mind, are the key to expanding options for minority students.

"If students knew about all of the opportunities that were out there– it's not going to happen overnight, but I think people would start to see that you can make it without doing sports or music. I think that's the biggest thing to tackle."

"The ACAP program has been a huge blessing to me."

Support ACAP-Ohio

ACAP-Ohio takes place June 12 – 17. There are no financial barriers to apply for or attend ACAP-Ohio. Because the program is offered free of charge to participating students, sponsorship support is critical. Contributions offset expenses such as the students' room and board on campus, transportation to tour locations, classroom supplies and networking activities.

Does your organization have a diversity initiative? Does your company support youth education or student outreach programs? If you are interested in learning more about ACAP-Ohio sponsorship opportunities, contact Jerad Wood at jwood@ohiocpa.com. All contributions to support ACAP-Ohio are tax deductible through The Ohio CPA Foundation.

The Ohio CPA Foundation is a 501(c)(3) organization that funds scholarships and programs that raise awareness for accounting and CPA careers. You can help build the pipeline of future CPAs by donating to The Ohio CPA Foundation. Learn more at www.ohiocpafoundation.org.

CPA VOICE
The Ohio Society of Certified Public Accountants

Self-Assessment exam

March – April 2016
Product ID: #48684
www.ohiocpa.com

No matter your location or the time of day, you can gain CPE credit. How? Through the self-assessment exam provided in every issue of *CPA Voice*. It's so convenient and portable you can take it anywhere and anytime. Simply answer the 12 required questions on page 29 based on content in *CPA Voice* and submit your answers to The Ohio Society of CPAs. Receive a grade of 70% or better and earn one hour of CPE credit in specialized knowledge.

Costs

Members	$25
Nonmembers	$40

Exams remain available online – and may be completed for CPE – through the same month of the following calendar year.

Online Instructions

1. Go to https://store.ohiocpa.com. Log in to receive the member rate.
2. Click on "Voice Self Assessments." This will provide links to all active exams through the OSCPA Store.
3. Purchase the exam.
4. When you are ready to take the exam log in to the OSCPA Store and click "current registrations," click on "visit classroom," and then click "take quiz."
5. Be sure to print the automatic confirmation page for your records.

Print Instructions

1. Take the exam as an open-book test, recording your answers on the answer sheet by filling in the appropriate circle (pen or pencil is fine).
2. Then, fill out the registration information and payment information. Payment must be submitted with the exam. Please print clearly.
3. Mail this page, along with your payment, in an envelope to: **The Ohio Society of CPAs CPA Voice Exam, 4249 Easton Way, Suite 150, Columbus, OH 43219**. Fax to **(614) 764-5880**.

Self-Assessment Exam Results

The Ohio Society sends results for print exam submissions via email if an email address is provided on the form. Respondents taking the exam online receive their results immediately. Respondents who pass with a grade of 70% or better receive one hour of CPE credit in specialized knowledge, as approved by the Accountancy Board of Ohio.

ANSWER SHEET

1.	a	b	c	d	7.	a	b	c	d
2.	a	b	c	d	8.	a	b	c	d
3.	a	b	c	d	9.	a	b	c	d
4.	a	b	c	d	10.	a	b	c	d
5.	a	b	c	d	11.	a	b	c	d
6.	a	b	c	d	12.	a	b	c	d

REGISTRATION INFORMATION

Full Name: _____

Member ID _____
(Your member ID is located in the upper left of the mailing label on the front cover)

Email: _____

Business Name: _____

Business Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

PAYMENT INFORMATION

☐ CHECK ENCLOSED: Make checks payable to The Ohio Society of CPAs

CREDIT CARD TYPE: ☐ PERSONAL CARD ☐ FIRM CARD
☐ Visa ☐ MasterCard ☐ American Express ☐ Discover

Credit Card #: _____

Expiration Date: _____

Name on Card: _____

Are you . . . (check all that apply)

☐ Member of The Ohio Society of CPAs ☐ Nonmember
☐ Membership pending (Ohio Society) ☐ Other state society member

Important tax provisions included in the Highway Trust Fund Extension Law

1. Which of following filing requirements will be affected by P.L. 114-41?
A. The due date for partnership returns.
B. The due date for S corporation tax returns.
C. The due date for C Corporation tax returns.
D. Both A and C.

2. Under a special rule, C corporations with a June 30 fiscal year end will not follow the new filing requirements until:
A. 2030
B. 2018
C. 2026
D. 2028

3. Under existing tax law, taxpayers who file FinCEN Form 114:
A. Can extend the due date beyond June 30.
B. Do so to report activity in foreign financial accounts for the current year.
C. Cannot extend the due date beyond June 30.
D. Need not comply with reporting requirements brought about by P.L. 113-41.

4. How will P.L. 114-41 affect the filing date of S-Corp tax returns? The deadlines for the original filing:
A. Due date and the extended due date are unchanged.
B. And extended due dates are extended.
C. Due date and the extended due date are shortened.
D. Due date and the extended due date have been moved to the beginning of the month.

Uniform guidance: A year in review

5. Which of the following is one of the significant changes made to Subpart F of the uniform guidance for fiscal years beginning on or after Dec. 26, 2014?
A. The type-A minimum threshold increased from $300,000 to $650,000 along with a revision in the risk assessment criteria.
B. The type-B risk assessment criteria and threshold for analysis have not been modified.
C. The criteria for low risk auditees has been updated.
D. The percentage of coverage rule for low risk auditees has been reduced from 25% to 15%.

6. What change did the uniform guidance make regarding federal awards? The uniform guidance:
A. Increases the emphasis placed on a company's internal controls as a means of assuring its compliance with the terms and conditions associated with federal awards.
B. Decreases the emphasis placed on a company's required internal controls as a means of assuring its compliance with the terms and conditions associated with federal awards.
C. Neither emphasized nor deemphasized the importance of a company's internal controls.
D. Alters the number of federal awards made and the companies that can bid on these awards.

Lease standards at a glance

7. Which steps should public companies take in 2016 to help them comply with FASB's new leasing standard?
A. Educate finance staff, senior team and key internal and external stakeholders on the new standards.
B. Review lease inventory to determine the company's information gaps.
C. Hire consultants to review specialized situations or terms that require interpretation of FASB guidance.
D. All of the above.

8. Which of the following represents one of the steps public companies should take in 2017 to determine the effect (if any) of the adoption of FASB's new leasing standard?
A. Evaluate specialized situations and document preliminary conclusions on the application of accounting guidance.
B. Determine cost of capital rates to be used in valuing company equipment.
C. Determine the effects of marking all leases to market.
D. Implement a data use action summary.

9. When will companies other than public companies, certain not-for-profit entities and employee benefit plans need to adopt the new leasing standard?
A. 2018
B. 2019
C. 2020
D. None of the above; the companies described will be exempt from the FASB's new leasing standard.

10. FASB's new leasing standard will:
A. Use a single-model approach to account for leases.
B. Move most leases onto the balance sheet with limited exceptions.
C. Require re-measurement of the lease liability in all cases when the Federal Reserve changes key benchmark interest rates.
D. Require no additional disclosures beyond those required by existing lease standards.

11. How will the changes in a company's financial statements caused by the adoption of the FASB's new lease standards be handled?
A. Prospectively
B. Concurrently
C. In the year of and the year following adoption of the new lease standard.
D. Retrospectively

12. Companies will need to re-compute their lease liability when:
A. There is a change in lease terms.
B. There is a change in factors that would cause a payment to be included or excluded from the calculation of a lease's fair value.
C. Changes occur in the rate used to determine the amount of the lease payment.
D. All of the above are correct.

CPA VOICE
The Ohio Society of Certified Public Accountants

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