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INSIDE

President's Letter

Dear Colleagues:

We are now coming down the stretch for 2019. Most business extensions are due on September 15, and all the personal and fiduciary returns are due October 15. The finish line for 2018 tax returns is in sight, but that is not the end of it. Already, we are also busy doing projections for our clients for 2019 as they make that information available to us.

As we come to September, Congress will be returning from their annual summer recess. There are several bills in both the House and Senate that can have a direct impact on our profession, on what we will have to advise our clients about, and what more we may have to do for them. Sandy Zinman, our Tax Committee Chair, and the rest of his committee will be keeping an eye on what happens in Washington and will let us know of any developments once they happen.

Since we have finished the summer meeting in Houston, I want to give a Texas-sized thank you to Frank Sands, TACPA President, Dave Brown, TACPA Executive Director, and the rest of the TACPA attendees for their kindness and hospitality to those of us who took the time to go to the Quarterly meeting. Please note that our next National Meeting is October 23-25 on Long Island. We will be at the Fox Hollow in Woodbury. At this time, NCCPAP will be celebrating its 40th anniversary. We will celebrate our past and look forward to the future.

Now, I want to ask you for your help. I am not asking you to help me, but rather this organization that we are a part of – NCCPAP. I know that we all try to compartmentalize our time, but I am not asking for much. All I am asking for is that you spend some time to get involved in NCCPAP. This can be accomplished by serving on a committee, national or chapter, and/or write an article for the Journal. Many of our members post questions on the website. Many more of us take the time to answer those questions; and in doing so, we provide guidance and insight as to how those questions can be answered, which makes our members stronger in their knowledge, which makes us as an organization stronger.

Thank you.

Neil H. Fishman, CPA

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Deep in the Heart of Texas

by Sandra Johnson, CPA

The stars at night are big and bright, deep in the heart of TACPA! The Texas Association of CPAs is our newest chapter and graciously hosted the August conference in Houston.

The TACPA board held a two-day seminar with topics ranging from tax bills to Texas sales tax to ethics. The NCCPAP national board then held an afternoon of tax updates and A&A updates.

Tuesday night was spent at Minute Maid Park as the Houston Astros whooped the Colorado Rockies, 11 – 6. We ate hot dogs and drank beer. Wednesday night's activity was an evening at the shooting range, a new experience for many of our Yankee members! Every dinner was outstanding with steak, BBQ and authentic Mexican food.

Our newest members are the consummate hosts and welcomed us with their famous Texas hospitality. Thank you for five days of camaraderie, education, food and fun!

At Rudy's Bar-B-Q

At Minute Maid Park

Smiles All Around....Astros Win!!!

Thank you for all your hospitality.

TACPA

Texas Association of Certified Public Accountants

"Dedicated Solely to the Unique Needs of CPAs in Public Practice"

WESTCHESTER ROCKLAND CHAPTER UPDATE

The board of the Westchester/Rockland Chapter of NCCPAP would like to congratulate our Silver and Bronze award recipients, Bill Bostick and Martha Berghahn. Both recipients are extremely well deserving and have devoted tireless efforts to our chapter.

On October 3rd, NCCPAP will welcome back Renee Rampulla to speak to our members for an Accounting Standards Update. We thank Renee as always for being so generous with her time to our chapter.

We have brought back our "Three Part Tax Series" again this year. Part 1 will be our Business Tax Update. Part 2 will be our Individual Tax Update. Part 3 will be our Tri-State Tax Update. Our site hosts for this event this year is again the Westchester Manor. The series will be held over three separate full day seminars, on November 26th, December 5th and December 11th. Be sure to register by September 30th for special early bird pricing when you register for all three parts of the tax series.

by Mark A. Stewart Jr., CPA, President, Westchester/Rockland Chapter
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Membership Committee Update

The Membership Committee met at the quarterly conference in Houston. The committee has been working for many months to bring webinars to our membership. Our chapter in Texas has already begun instituting webinars and is helping us to get this initiative started.

Monthly one-hour educational webinars will soon be available to our members. Each webinar will give the participant one CPE credit. The committee is currently lining up topics and speakers. We would like to set up 12 webinars to carry us for 12 months. If you have suggestions of topics or speakers, please email Sandy Johnson at sjohnson@sgjcpa.com.

The Membership Committee is looking for new members to join us. Committee members can participate in committee meetings in person, via Zoom or via telephone. If you are interested, please contact Sandy Johnson at 516-409-1120 or sjohnson@sgjcpa.com. No prior experience necessary!

by Sandra Johnson, CPA, Chair , National Membership Committee
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Updates on Our 40th Anniversary Award Winners

In July's issue, we gave you the information of the Texas, Westchester/Rockland, and Florida Chapters' silver and bronze award winners.

Today we have the latest from our New Jersey Chapter.

NCCPAP's New Jersey Chapter is pleased to announce its 40th Anniversary Silver Winner, Vito M. Mastro, CPA of Kendall Park, NJ. The award recognizes Vito who throughout the years has demonstrated his longstanding commitment to NCCPAP and the CPA community. Congratulations!

Upcoming National Meetings

Fall National Quarterly Conference
Fox Hollow
Woodbury, NY
October 23, 24 & 25, 2019

Winter National Quarterly Conference
DoubleTree by Hilton
Palm Beach Gardens, FL
January 6, 7 & 8, 2020

Spring National Quarterly Conference
Hyatt Regency
Bethesda, MD
May 6, 7 & 8, 2020

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See You In November
at

Long Island Tax Professionals Symposium
Crest Hollow Country Club
Woodbury, NY
November 20, 21 & 22, 2019

How to Be a Rainmaker

Rainmaker – An executive with exceptional ability to attract clients.

Many people believe that rainmakers have special talents. In some cases that may be true but the skills needed to be a rainmaker are easily learned.

Step 1 – Write a Marketing Plan
The marketing plan is a well-defined roadmap that will help you set goals and provide focus and accountability. The marketing plan will answer who, what, when, where and how.

- Who is my target market? Be specific. Define age, income level, industry…
- What services will I provide? Tax, auditing, business consulting…Estates, trusts, nonprofits, businesses, individuals…
- When should I market my business? 12 months per year!
- Where shall I network? Where will I advertise? Where will I get published?
- How will I get my name out to the public?

Step 2 – Know Your Competition
How better to evaluate your success than comparing yourself to the competition?

- Locate your competition by expertise and/or geographic area
- Determine what sets you apart from your competition and be prepared to exploit that difference
- Which of your competitors is more successful than you? Why? What are they doing that you are not? Learn from them.
- Form relationships with your competition. Often competitors can become referral sources.

Step 3 – Create Your Image
First impressions are important. Be sure your image reflects who you are and who you want to attract.

- Dress for success
- Get involved with the right organizations
- Have the proper credentials
- Evaluate the look and location of your business

Step 4 – Set Yourself Apart as an Expert
People will flock to you if they see you as an expert in your field.

- Lecture
- Teach a class or seminar
- Write an article or book
- Get quoted

Step 5 – Develop an Internet Presence

- Create a website
- Participate in social media
- Write a blog
- Post your newsletter
- Communicate with your clients, colleagues, vendors and prospects through regular email blasts

(continued on next page)

How to Be a Rainmaker

(continued)

Step 6 – Network, Network, Network

First and foremost, remember that networking is more than exchanging business cards. Effective networking is building relationships and following through on leads, contacts and meetings.

- Research the meeting you plan to attend. Will the right people be in attendance? Who do you want to speak to?
- Don't monopolize anyone's time
- Focus on the person you're speaking with. Don't scan the room for your next target.
- Be generous. Be willing to give a lead before getting one.
- Follow up within 24 hours

Step 7 – Track Your Results

Remember your time is valuable. If you do not track results, you won't know what is working and you'll be wasting your time.

- Create a referral file
- Ask every person who calls, "How did you hear about us?"
- Don't waste your time on meetings, people, advertising, etc. that do not bring in results

Finally…

- Be consistent
- Learn from others
- Update your marketing plan periodically
- Be held accountable
- Market 365 days a year
- Market everywhere you go
- Make marketing a way of life
- Have fun!

by Sandra Johnson, CPA, Past President, NCCPAP
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OCCUPATIONAL FRAUD: THE TRIANGLE AND BEYOND

When we talk about occupational fraud, we are talking about theft by employees. Now these employees can be at any level within the organization, from the introductory up to the highest levels. There are 2 gentlemen that we have to look to for their study of employees who steal. The first is Edwin Sutherland (1883-1950). A criminologist at the University of Indiana, he was interested in fraud committed by upper level business executives. In fact, it was Mr. Sutherland who coined the phrase "White Collar Crime."

The second individual is Donald Cressey (1919-1987). A student of Mr. Sutherland, he got a Ph.D. in Criminology with a dissertation focusing on embezzlers, also known as "trust violators." Mr. Cressey also came up with what has become known as "The Fraud Triangle", which brings us to the focus of this article.

When employees steal from their employer, there is a motivating factor that compels them to do so. This is known as the "perceived pressure." This pressure comes from non-sharable financial pressure that the employee is under.

Examples of this include, but are not limited to: Financial difficulties
Family problems
Dependency issues (i.e., drugs, alcohol)

The employee will see their situation and look for whatever means they can find to solve it. When they are at work, they find a flaw in the company's record keeping, which is known as the "perceived opportunity." They see the chance to get what they need which they feel will solve all of their problems.

Lastly, they find a way to justify, or "rationalize" what they did. This employee, which we will refer to as a "fraudster", will fall into one of two categories: The Accidental Fraudster, and the Predatory Fraudster.

The Accidental Fraudster is the employee who let things in their personal life get out of control. There were unexpected bills that arose, they fell behind on payments. They come across this opportunity to get things right and take advantage of it. Part of their rationalization is that this was a one-time occurrence, that they will put the money back as soon as possible. Unfortunately for them, in many cases, they soon find themselves in the same situation as before. They then think, "I got away with it once, I can do it again." Unfortunately, the second time around is when they are usually caught.

The other type of fraudster is The Predatory Fraudster. This individual from the beginning is looking to steal. Why? They have a perception that they have been wronged by their employer. They did not get a promotion or a raise in salary that they thought they deserved, so they are going to get it one way or another. They look for the weak links in the company systems. Sometimes they do it in small amounts, other times they look for that "one big kill." If they do it in small amounts, they are usually there for a long time, building up the amount they steal. If they are going for the big kill, then they usually leave the company shortly after they have done it, before anyone realizes what has happened. In the case of both the Accidental & the Predatory Fraudster, they always do their best to cover their tracks.

Now, earlier in this article, I mentioned the aspects of The Fraud Triangle – Perceived Pressure, Perceived Opportunity, and Rationalization. However, we can modify the Triangle into a Diamond, with the fourth side of the Diamond be "Capability." Are they able to pull off the theft without being discovered? Can they do it alone, or do they need the help of a co-conspirator? Depending on the size of the business entity, and the breakdown of responsibilities, a fraudster may commit the crime alone, or may work as part of a team.

We can even take this a step further and turn it into a pentagon with the 5 aspects being "Pressure", "Opportunity", "Rationalization", "Competence", and "Arrogance" This would be the case, especially for the Predatory Fraudster.

In conclusion, it is important that for any company, large or small, there be internal controls which are implemented, monitored and revised on a regular basis to prevent a fraudster from having the opportunity to take advantage and steal from their employer.

by Neil H. Fishman, CPA, CFE, FCPA, CAMS, President, NCCPAP
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You Are Invited to NCCPAP's 40th Anniversary Celebration

Wednesday, October 23, 2019,

at the Fox Hollow Inn

7725 Jericho Turnpike, Woodbury, NY 11797

6:30 PM Cocktail Hour -- Briar Fox Room

7:30 to 10:30 PM -- Winter Garden Room

Deluxe plated dinner menu with open bar throughout the evening.

Dance to a live band.

Black Tie Optional

Register Today

Go to our special anniversary web page

https://nccpap40thanniversary.com

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Share Your Achievements with Fellow NCCPAP Members

We would like to publicize special achievements by individual members and chapters. If this applies to you, please submit a very brief description by clicking on the ‘Submit an Achievement’ button below. Our PR firm, Markitects, will reach out to you and write up the news story in a professional manner—for distribution internally to our members via email. Selected stories may also be sent to the media with your permission.

Submit an Achievement