



AMERICAN SOCIETY OF WOMEN ACCOUNTANTS  
Richmond Chapter #22

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# THE BOTTOM LINE

JANUARY 2010  
Vol. 60, No. 5

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*Happy New Year*

**Join us for the January Lunch Meeting**

**Thursday January 28**

**At**

**Keiter Stephens Hurst Gary & Shreaves CPAs  
4401 Dominion Boulevard, Glen Allen, VA 23060**

**11:30 am – 1:00 pm**

**Our program will be “Money Strategies for Tough Times”**

This session is designed to help people find security while navigating through the hazards of market downturns and times of economic uncertainty. Attendees will learn effective steps to take and important mistakes to avoid in times such as these.

The speaker is Dr. Kelly A Decker. She is an experienced educator for Money Management Educators and Contributing Editor of *Financial News Digest*, a nationally distributed publication on effective money management. Dr. Decker has been a featured presenter at various conferences and serves as liaison to corporate clients, which are among the country's leading companies. Her practice has been centered in the Richmond area for the past six years, where her firm has been providing financial services and educational workshops on a variety of financial topics. You are sure to enjoy Dr. Decker's common-sense approach to the otherwise complex world of personal finance.

**Cost: Members \$14.00  
Student-Members \$7.00  
Non-Member \$16.00**

**RESERVATIONS: Cindy Stanley, 804-553-1900,  
Reservations22@aswarichmond.org  
Please make your reservations by Monday, January 25, 2010**

The mission of The American Society of Women Accountants is to enable women in all accounting and related fields to achieve their full personal, professional and economic potential and to contribute to the future development of their profession.

## Message from the President

As I reflect over the past year and look at the big U.S. events during the year, all I see in the past news is death and politics, and doom and gloom. But truly, 2009 was not nearly as bad as people thought it was going to be. We seem to be making it through the recession and the swine flu seems to be old news. Our Richmond Chapter of ASWA has had an outstanding year, even in a down economy. During the year we had 15 new members join and as of 12/30/2009, we had 35 total members. As we move into a new year and a new decade, let's celebrate life and be happy for all we do have. I look forward to seeing everyone in the New Year.

Melissa Fergel

## AMERICAN SOCIETY OF WOMEN ACCOUNTANTS RICHMOND CHAPTER #22

### CHAPTER BOARD 2009 – 2010

#### **PRESIDENT**

Melissa Fergel, CPA  
[mfergel@franklinfederal.com](mailto:mfergel@franklinfederal.com)

#### **VICE-PRESIDENT**

Kay Gotshall, CPA  
[kgotshall@kshgs.com](mailto:kgotshall@kshgs.com)

#### **SECRETARY**

Heather Robinson  
[hrobinson@vaco.com](mailto:hrobinson@vaco.com)

#### **TREASURER**

Melody Stone, CPA  
[mstone@sfgconsultants.com](mailto:mstone@sfgconsultants.com)

#### **DIRECTORS**

Karen Hawkins, CFP  
[karen.hawkins@verizon.net](mailto:karen.hawkins@verizon.net)

Cindy Stanley  
[cindy.stanley@yhbcpa.com](mailto:cindy.stanley@yhbcpa.com)

Edy Hoyt  
[ehoyt@aacpa.com](mailto:ehoyt@aacpa.com)

Johnna Rose  
[johnna.rose@sscoop.com](mailto:johnna.rose@sscoop.com)

#### **IMMEDIATE PAST PRESIDENT**

Melody King, CPA  
[mking@aswarichmond.org](mailto:mking@aswarichmond.org)

### COMMITTEE CHAIRS

#### **ADMIN. REPORTING & PLANNING**

Melody King, CPA  
[mking@aswarichmond.org](mailto:mking@aswarichmond.org)

#### **BYLAWS**

Melody King, CPA  
[mking@aswarichmond.org](mailto:mking@aswarichmond.org)

#### **BULLETIN**

Melody King, CPA  
[mking@aswarichmond.org](mailto:mking@aswarichmond.org)

#### **MEMBERSHIP & MEMBER RELATIONS**

See information in Committee Reports

#### **PROGRAM**

Karen Hawkins –  
[Karen.hawkins@verizon.net](mailto:Karen.hawkins@verizon.net)

#### **STUDENT ACTIVITIES**

Kay Gotshall, CPA  
[kgotshall@kshgs.com](mailto:kgotshall@kshgs.com)

#### **FUND RAISING**

Johnna Rose  
[johnna.rose@sscoop.com](mailto:johnna.rose@sscoop.com)

#### **RESERVATIONS**

Cindy Stanley – [cstanley@yhbcpa.com](mailto:cstanley@yhbcpa.com)

#### **YEARBOOK**

Membership committee members &  
Heather Robinson [hrobinson@vaco.com](mailto:hrobinson@vaco.com)

## DEBITS and CREDITS



For those who have wondered why they have not seen Jennifer Cuthbertson in a while this explains it!! Here is a picture of our Emily Melinda Cuthbertson with her big brother David! She was born December 2, weighed 8 lbs, 14.4 oz and was 20 inches long.

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On December 18, 2009, Paula Zanni, one of ASWA's national board members passed away. Paula was an important part of ASWA's national board and was always providing helpful suggestions toward improving ASWA's service to our members. She will be missed. The ASWAEF is working on a scholarship fund to be established in memory of Paula and that an annual scholarship can be given in her name beginning with this year. If you wish to make a donation for this fund you can forward a check payable to the ASWA Educational Foundation and forward to Stacey Craig, 22416 N. 78<sup>th</sup> Dr, Peoria, AZ.

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### **REPORT FROM THE NATIONAL NOMINATING COMMITTEE**



Dear Chapter Presidents, Chapter Leaders & Immediate Past Presidents,

The report of the National Nominating Committee for the 2010-2011 nominated slate of officers and directors can be seen below. This report is to be presented to your chapter at your regular January meeting or at a special meeting held during January for that purpose.

The Committee is grateful to all chapters who submitted names of members for consideration and is confident that the affairs of the Society will be in capable hands if entrusted to the members listed. Per Article V, Section 3 of our national bylaws, in the event your chapter desires to place additional names on the ballot:

"Additional nominees may be added to the ballot provided consent of the member has been obtained, and a petition has been signed by at least ten members from each of five chapters and is mailed to the president to be received not later than February 8.

A. If no nominations have been received by the president by February 8, the president shall declare the slate elected and instruct the secretary to notify the members.

B. If additional nominations are received, voting shall be conducted by mail ballot. A plurality shall elect."

If you have any further questions, please contact National Headquarters.

Sincerely,

National Nominating Committee

Jeanette Ding

Joyce Towne, CPA

Barbara Covington (Chair)

### REPORT OF THE NATIONAL NOMINATING COMMITTEE SLATED 2010-2011 BOARD OF DIRECTORS

**President** – Elected in the spring of 2009 for a term starting July 1, 2010  
Vivian L. Moller, CPA Milwaukee Chapter

**President-Elect** – To serve as National President in 2011-2012  
Monika P. Miles, CPA Silicon Valley Chapter

**Vice-Presidents**

Berranthia Brown Atlanta Chapter  
Catherine A. Mulder, CPA Ames Chapter  
Cheryl Willers Flagstaff Chapter

**Secretary**

Gina Slack, CPA Des Moines Chapter

**Treasurer**

Dianna M. Patton, CPA, CFP Richmond Chapter

**Directors** – To serve two years, July 1, 2010 to June 30, 2012

Karyn Hartke, CPA Northeast Florida Chapter  
Tina Polf, CPA Seattle Chapter  
Kathryn Sharp, CPA Houston Chapter  
Wendi C. Taber, CPA, CISA, CTP San Antonio Chapter

**Immediate Past President**

Stacey L. Craig, CPA Phoenix Chapter

**Directors** – Serving the second year of a two-year term – elected in the spring of 2009 to service until June 30, 2011

Mary E. Duff, CPA Philadelphia Chapter  
Linda E. Harris, CPA Billings Chapter  
Barbara Steelman, CIA, CMA, MBA Orange County Chapter  
Paula Zanni Mesa East Valley Chapter

## FINANCIAL LITERACY TRAINING

Melody King will start presenting Module 1 of the Money Smart training at the Jarrett location of Jackson-Feild on **January 16th** and Module 2 on **January 30th**. Anyone who has time and would like to assist can contact her at [mking@aswarichmond.org](mailto:mking@aswarichmond.org). Marie Hypolite at the Boulevard location has also been contacted and is interested but these sessions have not been scheduled as of yet.

Financial Literacy is important for everyone. The ASWA Education Foundation has provided chapters with a set of tools to teach this in their communities. The Money Smart Training Program includes 10 modules in the adult program and 8 in the Young Adult program and has a separate program for teens. A listing of the modules for Young Adults follows:

- Module 1 – Bank On It (an introduction to bank services)
- Module 2 – Check It Out (how to choose and keep a checking account)
- Module 3 – Setting Financial Goals (how to keep track of your money)
- Module 4 – Pay Yourself First (why you should save, save, save)
- Module 5 – Borrowing Basics (an introduction to credit)
- Module 6 – Charge it Right (how to make a credit card work for you)
- Module 7 – Paying for College and Cars (general information on installment loans)
- Module 8 – A Roof Over Your Head (what home ownership and renting are all about)

These modules can be used individually or in varying order depending on your audiences needs.

We **still** need sponsors to print or to pay for the printing of the attendee manuals. Module 1 – 39 pages; Module 2 – 60 pages; Module 3 – 29 pages; Module 4 – 43 pages; Module 5 – 40 pages; Module 6 – 57 pages; Module 7 – 47 pages; and Module 8 – 31 pages. Each attendee for the module will need one of these manuals, so if you know of anyone that might want to sponsor the printing of these or if your company might want to do the printing **PLEASE** let me know. (Example of cost of each manual – for module 1 – the estimated cost at FedEx Kinkos is \$4.10.)

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**LinkedIn** strengthens and extends your existing network of trusted contacts. See the ASWA.org website for instructions for signing up to be apart of the LinkedIn ASWA group.

**We also have an ASWA Richmond Chapter LinkedIn group. PLEASE request that you be added to the group as this is a great way to stay in contact with chapter members. You don't have to have everyone's email set up in your email service you can just go here and email members and if you have questions or want to discuss something with multiple members all you have to do is start a discussion. We still have a large number of members who are not members of our group and as stated above it would be easier to stay in contact with everyone if you were a member of the group. So Link In today. Contact Melody King if you have any questions – [mking@aswarichmond.org](mailto:mking@aswarichmond.org).**

## 2009-2010 MEETING DATES

January 28, 2010  
February 25, 2010  
March 25, 2010  
April 22, 2010  
May 13, 2010 – Public Relations Meeting  
June 17, 2010

### Have you read your “the Compass”

Have you read the December 2009 – the Compass

**Accounting & Auditing:** ["Referencing or Referring to the FASB Codification When Preparing Financial Statements from Accounting Research Manager"](#) [Accounting Research Manager®](#)

Reprinted with permission of CCH, 2009. Many companies have filed their first quarterly report using references to the all new FASB Codification. With year end approaching fast and 10K filings looming around the corner, this project takes on a larger perspective.

**Controllership:** ["Ethics and the Middle Manager: Creating "Tone in The Middle"](#) By Kirk O. Hanson, this article discusses how creating a culture of ethics is often frustrated by a lack of attention and commitment by middle managers.

**Tax:** ["Payroll Alerts: 7 Must-Know Year-End Updates"](#) The Internal Revenue Service just announced its annual inflation-adjusted amounts for 2010. Start preparing now for the new year.

**Leadership:** ["The Coaching Culture: The Importance of Continuous Development"](#) Few universities, if any, are offering leadership degrees, so how can we further our leadership education? Many large corporations offer in-house leadership coaching to strengthen the skills of their current executives and prepare for the future through succession planning.

Make sure to read the President's Message about her trip to China with the people to People Citizen Ambassador Program. Also read the article by Jeffrey C Thomson, President and CEO, Institute of Management Accountants "Accounting Associations Need Synergies, Not Silos", about the need for accounting associations to work together to build a better accounting workforce rather than against each other as competitors. Also be sure to sign-up for PINK Magazine's Little Pink Book. And much, much more – **remember all the information is one of the benefits you receive as an ASWA member so make sure to utilize it!!!**

## Committee Updates

### Student Activity

The deadline for the Richmond Chapter scholarship application is March 10, 2010

Contact Heather Robinson or Kay Gotshall for scholarship forms or for more information.

### Nominating Committee

It is the time of year where we nominate the chapter board for the 2010-2011 year. Anyone that has an interest in serving on the board should contact Melody King, CPA [mking@aswarichmond.org](mailto:mking@aswarichmond.org) she is chairing the committee. Heather Robinson and Erin Hewitt are also on the committee. **WE ARE LOOKING FOR A FEW GOOD WOMEN!!!** Information about the positions are:

#### ALL MEMBERS OF THE BOARD OF DIRECTORS –

- Should attend majority of meetings especially board meetings. Work with President to make sure meetings are scheduled at convenient time for all. It is important due to fact that in order for business to be conducted at Board meetings a quorum of the Board must be present. According to our bylaws a majority of board constitutes a quorum.

#### PRESIDENT –

- Presiding officer of the chapter and is responsible for the execution of the plans and policies of the chapter
- Responsible for appointing committees and committee chairs (this should be done as soon as possible after elections)
- Duty of president to delegate responsibility and to monitor progress and performance
- To run meeting smoothly, detailed agenda should be written and secretary should be given copy in advance to assist in taking minutes. Also ensure that registration is covered by an attending member and that they receive copy of attendees prior to meeting. Also if treasurer is not going to be in attendance, should have a plan to get monies collected to her.

- Responsible for making sure all committees are on task for their responsibilities and are planning well in advance for significant dates (especially PR meeting and Student Night)
- Responsible for making sure chapter stays on budget

#### PRESIDENT-ELECT/VICE PRESIDENT

- Responsible to assume role of President if she is unable to serve
- Should have copy and become familiar with all manuals. Should work with President to gain knowledge concerning operation of chapter
- Should be responsible for at least one committee or at least be active member of a committee
- Vice president is responsible for parliamentary procedures as directed in chapter bylaws

#### SECRETARY –

- Responsible for minutes of all meetings, utilizing standard format
- Responsible (along with President) for ensuring Chapter Minimum Requirements form is submitted to ASWA headquarters along with a timely manner
- Is a member of yearbook committee as directed in chapter bylaws

- Secretary and treasurer should maintain list of paid members and along with membership committee maintain attendance for each chapter meeting

TREASURER –

- Secretary and treasurer should maintain list of paid members and along with membership committee maintain attendance for each chapter meeting
- Receipt and disbursement of funds as approved by board of directors
- Maintain accurate and up to date set of records
- Prepare budget early in fiscal year for submission to board of directors

- Prepare monthly or quarterly financial statements for board of directors (these can be made available to any member upon request)
- Prepare annual financial statements. Submit records to independent accountant who have been engaged to perform the audit or review or compilation. (Send copy of above to HQ)
- Serve as finance chair.

DIRECTORS –

- Should serve as chair or at least active member of one committee.
- Support executive board for the chapter

**The membership committee members are Karen Hawkins** ([karen.hawkins@verizon.net](mailto:karen.hawkins@verizon.net)), **Kay Gotshall** ([kgotshall@kshgs.com](mailto:kgotshall@kshgs.com)), **Dianna Patton** ([dianna@pattontaxgroup.com](mailto:dianna@pattontaxgroup.com)), and **Melody King** ([mking@aswarichmond.org](mailto:mking@aswarichmond.org)).

**CPE – We are having a 2 hour CPE on January 21 from 4 – 6 pm!! This will be a tax update for 2009. It will be held in the Keiter Stephens Training Room at 4401 Dominion Boulevard, Suite 200, Glen Allen, VA. Our speakers will be Kay Gotshall, CPA of Keiter Stephens and Dianna Patton, CPA, CFP, MTAX of Patton Tax Group. There is no charge for ASWA members and non ASWA members will pay only \$25. Space is limited so RSVP to Kay Gotshall, [Kgotshall@kshgs.com](mailto:Kgotshall@kshgs.com) by Tuesday, January 19<sup>th</sup>. Feel free to pass this information on to anyone that would be interested.**

**Program Committee – included below is information that was handed out by our December speaker – it is really good information and can be used for everyone but especially for senior citizens. I hope it is beneficial to all.**

**Medication Management**

- Any new symptom should be considered a medication side effect until proven otherwise.

Questions to ask the pharmacist:

- How does the medicine work in my body?
- How can I expect to feel once I start taking this medication?

- How will I know it is working? Is there a typical time period after which my symptoms should improve?
- How long will I have to take the medicine? Will I need a refill when I finish this prescription?
- Will this medication interact with other medications that I am taking now?

- Should I take this medication with food? Are there any food or beverages I should avoid?
- Are there any activities I should avoid while taking this medication?
- What if I miss a dose or take too much?
- What is the cost? Is there a less expensive alternative or a generic?

- Difficulty **swallowing** tablets or capsules
- Difficulty scheduling many different medications throughout the day

Notify the doctor immediately if having difficulty in the following areas:

- Difficulty **remembering** to take medications
- Difficulty **reading labels** on prescription labels and filling weekly pill boxes
- Difficulty **hearing** instructions from health care professionals
- Difficulty opening bottles, inability to break tablets, problems handling medicines

Red flags of medication-related problems:

- Confusion
- Excessive drowsiness
- Confusion
- Depression
- Dizziness/having falls
- Delirium
- Insomnia
- Urinary retention
- Incontinence
- Muscle weakness
- Loss of appetite
- Falls and fractures
- Constipation
- Change in speech and memory

## DEPRESSION

### FACTS:

- Depression is NOT a normal part of aging
- Depression in older adults is often seen as increased irritability, increased anxiety, and increased complaints of physical symptoms
- Older adults have highest rate of suicide

### CAUSES OF DEPRESSION:

- Loneliness and isolation
- Reduced sense of purpose
- Recent bereavement
- Health problems
- Loss of independence

- Fears

### SIGNS AND SYMPTOMS:

- Sadness
- Fatigue
- Abandoning or loss of interest in hobbies or previously enjoyed activities
- Social withdrawal or isolation
- Weight loss – loss of appetite
- Sleep disturbances
- Loss of self-worth
- Unexplained aches and pains
- Memory problems
- Anxiety and worry
- Increased irritability

## IMPORTANT DOCUMENTS

What you may need: 4 things to think about:

1. Secure power of attorney. A power of attorney for property provides a caregiver the legal authority to make decisions about and exercise control of various assets and transactions.
2. Gather and organize records. Caregivers should have a copy of any power of attorney and living will, and access to other important legal and medical documents, including a will or trust documents.
3. Create a financial profile and budget. Caregivers need to understand the individual's financial circumstances for planning purposes, including information on assets, income and liabilities
4. Identify income resources. An individual with a severe disability generally will rely on insurance payments for all or part of their future income. This may come in the form of long-term disability insurance or Social Security Disability Insurance.

Estate Planning:

Will: This legal document tells who will manage your estate.

Letter of Instructions: This informal document addresses financial and personal matters that must be attended to after your death.

Advance Directive: These documents refer to health care directives, living wills, health care (medical) powers of attorney, and other personalized directives.

Power of Attorney: This document delegates the power to legally handle your financial affairs should you become disabled or incapacitated.

## SELF-CARE

FACTS:

\*Family caregivers report having a chronic condition at more than twice the rate of non-caregivers

\*Family caregivers are at greater health risk than their loved one

\*Providing care to someone you love takes a huge toll, both physically and emotionally

RISK FACTORS:

- Depression
- Persistent anger and impatience with self and loved one
- Feelings of resentment toward God, the world, loved ones
- Emergence of health symptoms
- Neglect of loved ones' mental and physical needs
- Decline in performance at work
- Increased fatigue and exhaustion
- Feelings of being out of control and overwhelmed

- Difficulty sleeping or changes in sleeping patterns
- Social withdrawal

WHAT YOU CAN DO:

- Take a daily vitamin supplement
- Exercise
- Get regular check-ups
- Don't ignore symptoms of ill health
- Accept your own limits
- Take a break – RESPIRE – is very important!!
- Get a flu shot
- Watch for signs of depression
- Stay involved with hobbies and activities
- Laugh with a friend
- Create a support team
- Get organized

Additional resources

[www.thefamilycaregiver.org](http://www.thefamilycaregiver.org)

[www.familycaregiving101.org](http://www.familycaregiving101.org)

**COMMUNITY SERVICE** – At the December meeting, the chapter collected items for Jackson-Feild Home for Girls. Thanks to the members in attendance, the back seat of their van was full when they left.

In December 2001, the chapter had two young ladies that had been residents at Jackson-Feild as speakers for the evening. One of these young ladies was Sara Duke – here is an update on her story! (reprinted from a newsletter by Jackson-Feild.)

### **WHAT DO A YAK AND JACKSON-FEILD HOMES HAVE IN COMMON?**

It is Sara Duke. Sara is a remarkable young woman who is destined to make her mark in this world. She recently relocated to India where she will be working as a Senior Researcher and International Microfinance Consultant for EDA Rual Systems and its Subsidiary M-CRIL.

Sara is an alumna of Jackson-Feild having lived on the main campus for a year and a half and at the Eleventh House for another year. Her early childhood was chaotic. She was placed into foster care as a toddler and her foster parents were charged with abuse. She and her sister were adopted when she was six years old. Her adoptive parent's marriage was unstable and they had hoped that adopting Sara and her sister would stabilize this relationship.

Unfortunately this was not to be the case. Sara became the brunt of her adoptive mother's frustrations. This led to mental health problems and attempted suicides. Sara knew that she had to leave this home to survive and she actively pursued placement at Jackson-Feild Homes. She was placed into our care and for the first time in her life she felt valued, accepted and loved. It was not all hearts and flowers for Sara while she was in our care. Nevertheless, she began to flourish and grow. She has fond memories of simple joys which were a part of daily life. She laughs when she recalls trying to ride a ram which bucked her off right into a pile of manure.

She covets the strong bonds of sisterhood which she developed with fellow residents who shared similar backgrounds and experiences. She would not trade these experiences for anything which taught her empathy, compassion and caring for others.

Sara credits Jackson-Feild for formulating and instilling the values she holds dear of personal responsibility, respect for yourself, respect for others, compassion and empathy. She is a strong proponent of out-of-home care and does not concur with the efforts to wrap around services for children in dysfunctional families if the interests of the family are put ahead of the interests of the child.

She is an undergraduate of VCU where she received her BA in Economics graduating Magna Cum Laude. While at VCU she was very active in community volunteer efforts that empowered and protected women. She left VCU to work in the finance field working with several banks and for five years at the Federal Reserve Bank of Richmond. She returned to VCU where she received her

Master's Degree. Her graduate studies included the presentation of a paper at the 12<sup>th</sup> World Congress of Social Economics in Amsterdam, Netherlands. Her master's thesis was recently published as a book. After graduation she completed a 10-month research tour of the rural Himalayans where she encountered and rode a yak.

Jackson-Feild's mission is to educate, equip and empower young girls. Sara is the living embodiment of our mission. She is dedicating her life to educating, empowering and equipping the women of underdeveloped countries in the world. She has worked hard for her success. She credits Jackson-Feild for providing her the foundation in order to fulfill her dreams and aspirations. We are very proud of Sara and her accomplishments. We look forward to new chapters in her life. We know that she will make a meaningful difference in the lives of the people she touches in India and Southern Asia.

### Joint National Conference 2010

September 27-29, 2010 in Nashville, TN – SAVE THE DATE!!!!!!! The location is the Sheraton Music City Hotel.

### ASWA Member Campaign

- The 2009-2010 Membership Committee is off to a great start! We've got our work cut out for us, but we are riding high on last year's outstanding success with the Hit the Membership Jackpot campaign. **Our goal for new members this year is 800!** Details on the campaign to follow in the next month. We are scheduled to have our first teleconference on July 23 and will be reviewing the goals and developing our plan for success for the year

### From the Internal Revenue Service

#### **Proposes New Registration, Testing and Continuing Education Requirements for Tax Return Preparers Not Already Subject to Oversight**

*Higher Standards to Boost Protections and Service for Taxpayers, Increase Confidence in System, Yield Greater Compliance with Tax Laws*

WASHINGTON — The Internal Revenue Service kicked off the 2010 tax filing season today by issuing the results of a landmark six-month study that proposes new registration, testing and continuing education of tax return preparers. With more than 80 percent of

American households using a tax preparer or tax software to help them prepare and file their taxes, higher standards for the tax preparer community will significantly enhance protections and service for taxpayers, increase confidence in the tax system and result in greater compliance with tax laws over the long term. To bring immediate help to taxpayers this filing season, the IRS also announced a sweeping new effort to reach tax return preparers with enforcement and education. As part of the outreach effort, the IRS is providing tips to taxpayers to ensure they are working with a reputable tax return preparer.

"As tax season begins, most Americans will turn to tax return preparers to help with one of their biggest financial transactions of the year. The decisions announced today represent a monumental shift in the way the IRS will oversee tax preparers," said IRS Commissioner Doug Shulman. "Our proposals will help ensure taxpayers receive competent, ethical service from qualified professionals and strengthen the integrity of the nation's tax system. In addition, we are taking immediate action to step up oversight of tax preparers this filing season." Based on the results of the Return Preparer Review released today, the IRS recommends a number of steps that it plans to implement for future filing seasons, including:

- Requiring all paid tax return preparers who must sign a federal tax return to register with the IRS and obtain a preparer tax identification number (PTIN). These preparers will be subject to a limited tax compliance check to ensure they have filed federal personal, employment and business tax returns and that the tax due on those returns has been paid.
- Requiring competency tests for all paid tax return preparers except attorneys, certified public accountants (CPAs) and enrolled agents who are active and in good standing with their respective licensing agencies.
- Requiring ongoing continuing professional education for all paid tax return preparers except attorneys, CPAs, enrolled agents and others who are already subject to continuing education requirements.
- Extending the ethical rules found in Treasury Department Circular 230 -- which currently only apply to attorneys, CPAs and enrolled agents who practice before the IRS -- to all paid preparers. This expansion would allow the IRS to

suspend or otherwise discipline tax return preparers who engage in unethical or disreputable conduct.

Other measures the IRS anticipates taking are highlighted in the 55-page report released today. Currently, anyone may prepare a federal tax return for anyone else and charge a fee. While some preparers are currently licensed by their states or are enrolled to practice before the IRS, many do not have to meet any government or professionally mandated competency requirements before preparing a federal tax return for a fee.

#### **First Step: Letters to 10,000 Preparers**

The initiatives announced today will take several years to fully implement and will not be in effect for the current 2010 tax season. In the meantime, the IRS is taking immediate action to step up oversight of preparers for the 2010 filing season. Beginning this week, the IRS is sending letters to approximately 10,000 paid tax return preparers nationwide. These preparers are among those with large volumes of specific tax returns where the IRS typically sees frequent errors. The letters are intended to remind preparers to be vigilant in areas where the errors are frequently found, including Schedule C income and expenses, Schedule A deductions, the Earned Income Tax Credit and the First Time Homebuyer Credit. Thousands of the preparers who receive these letters will also be visited by IRS Revenue Agents in the coming weeks to discuss their obligations and responsibilities to prepare accurate tax returns. This is part of a broader initiative by the IRS to step up its efforts to ensure paid tax return preparers are assisting clients appropriately. Separately, the IRS will be conducting other compliance and education visits with return preparers on a variety of issues. In addition, the IRS will more widely use investigative tools during this filing season aimed at determining tax return preparer non-compliance. One of those tools will include visits to return preparers by IRS agents posing as a taxpayer.

During this effort, the IRS will continue to work closely with the Department of Justice to pursue civil or criminal action as appropriate.

#### **Steps Taxpayers Can Take Now to Find a Preparer**

In addition to the stepped-up oversight of preparers, Shulman also announced a new outreach effort to help make sure taxpayers choose a reputable preparer this filing season. That's particularly important because taxpayers are legally responsible for what is on their tax returns -- even if those returns are prepared by someone else.

“Taxpayers should protect themselves from unscrupulous preparers,” Shulman said. “There are some simple steps people can take to choose a reputable tax preparer.”

Most tax return preparers are professional, honest and provide excellent service to their clients. Shulman offered the following points for taxpayers to keep in mind when selecting a tax return preparer:

- Be wary of tax preparers who claim they can obtain larger refunds than others.
- Avoid tax preparers who base their fees on a percentage of the refund.
- Use a reputable tax professional who signs the tax return and provides a copy.
- Consider whether the individual or firm will be around months or years after the return has been filed to answer questions about the preparation of the tax return.
- Check the person’s credentials. Only attorneys, CPAs and enrolled agents can represent taxpayers before the IRS in all matters, including audits, collection and appeals. Other return preparers may only represent taxpayers for audits of returns they actually prepared.

- Find out if the return preparer is affiliated with a professional organization that provides its members with continuing education and other resources and holds them to a code of ethics.

More information about choosing a tax return preparer and avoiding fraud can be found in IRS Fact Sheet 2010-03, How to Choose a Tax Preparer and Avoid Tax Fraud.

#### **Resources for Taxpayers this Filing Season**

This filing season, the IRS has many free resources to help taxpayers prepare and file their returns.

IRS.gov has a variety of features to help taxpayers. There’s a special section to help taxpayers get information on a variety of Recovery tax benefits. The web site also has information for people who lost a job or experienced financial problems in 2009.

IRS.gov also has information to help people track their refund.

IRS.gov will once again host the IRS Free File program, which allows virtually everyone to file their taxes for free through the web site. Free File and the rest of the IRS e-file program will open later this month.

## **ASWA Strategic Plan for 2007-2010**

The 2007-2010 Strategic Plan is focused on 4 primary strategic objectives

- I. Position ASWA as the home for all accounting professionals whether new to the field, experienced or considering a career transition.
- II. Development of an overall communications plan
- III. Development of corporate alliances
- IV. Champion financial literacy

The priority of the leadership and staff is to enhance the members’ ASWA experience.

## **Get Online with ASWA’s eDirectory**

[www.aswa.org](http://www.aswa.org) Check out this Directory to make sure your information is current and up to date. You can make changes on-line.

**The bulletin deadline for next month is 2/1/10!**

## **BENEFITS OF MEMBERSHIP IN ASWA**

**ASWA is “Education, Inspiration, Networking and Fun!”**

**ASWA is member-driven organization dedicated to:**

- **Increasing your technical knowledge, skills and abilities**
- **Keeping members current in their field of expertise**
- **Providing career management and transition guidance and assistance**

**Our benefits include:**

- **Business contacts locally and across the country**
- **Personal and professional support**
- **Relocation networks**
- **Scholarships for new and returning students**
- **Job referral network**
- **Leadership opportunities**
- **Business management skills development**
- **National newsletter**
- **Local chapter newsletter**
- **Low cost, high quality CPE at local, area and national meetings and conferences**
- **Corporate discount program (credit cards, disability insurance)**

**ASWA is women employed in a variety of accounting and finance functions, united by a common purpose: to enable women in all fields of accounting and finance to achieve their personal, professional and economic potential and to contribute to the future development of the profession.**



American Society of Women Accountants

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