

Winter 2021

A publication of the Connecticut Society of Certified Public Accountants

Connecticut CPA

Advocacy. Community. Education.

Business Transformation in the Wake of the COVID-19 Crisis

Amidst the crisis experienced in our personal and professional lives, there have been several business changes triggered or accelerated by the pandemic disruption. We'll take a look at the potential lasting impacts they could have on business. *page 14*



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2021 CTCPA Annual Meeting



Featuring Keynote Speaker
Mauro F. Guillén
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Monday, May 10 • Virtual Program

Register at www.ctcpas.org/annualmeeting.

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Editor's Note

From Interest Groups to Committees to Roundtables, It's Always a Great Time to Get Engaged with the CTCPA

This issue's cover story explores some of the business transformations that have come out of the COVID-19 pandemic. While this crisis has brought so much loss to our lives, there have been a few areas where it has brought opportunities; I've seen it in my personal life as well as professionally.

The technology we have invested in here at the CTCPA has allowed our committees and member programs to continue without missing a beat. We've had members reaching out to tell us that they were rarely able to attend our in-person programs due to travel or time constraints, but can now participate with ease from wherever they are.

Have a question or want to bounce something off your peers? CTCPA Connect is our private online community offering a quick and easy way to reach out to fellow members with the click of a button. Each of our member groups has an accompanying Connect community, and you can join a group anytime by going to www.ctcpas.org/Connect.

In fact, many of our CTCPA committees are seeing attendance at an all-time high since we've switched to virtual meetings. Some groups will resume meeting in person as soon as it is safe to do so (while still offering a remote participation option), while other groups have told us that virtual programs work better for them and they will continue this in the future. The choice will be in the hands of the group members.

We have launched a number of new member groups in the past several months. I encourage you to take a closer look at these opportunities, as well as the full listing of member groups on page 13 of this issue.

- The **Finance Professionals in Industry Group** is a new CTCPA committee seeking to provide value to CTCPA members in industry through education, professional development, and networking.
- With the amount of confusion and added workloads the Paycheck Protection Program and other stimulus packages have created, we've formed the ad hoc **Economic Relief Packages (PPP and More) Group** to give members a place to ask questions, get clarity, and brainstorm with peers. This group will continuously morph to expand its scope as new stimulus packages are released.
- Created for firms with fewer than 50 employees, the **Small Firm Roundtable** will hold virtual meetings on Connecticut-specific topics and also join other state CPA societies to hold several multi-state meetings each year.

Most of these groups are open to each and every member to join at any time, regardless of the amount of time you'd like to devote or your experience level. Join online at www.ctcpas.org/groups or reach out to the staff liaisons listed, and they will be happy to give you more information and get you started.



See you next issue,

Kirsten Piechota, Managing Editor

CTCPA Women

An awards program celebrating exceptional female CPAs.



Keynote Speaker

Kimberly Ellison-Taylor

Global Technology and Financial
Leader and Past Chairman – AICPA

January 20, 2021

Virtual Event

Networking: 8:30-9:30 a.m.

Keynote speaker: 9:30-10:00 a.m.

Awards program: 10:00-10:30 a.m.

Tickets: Free for CTCPA members,
\$20 for non-members

Distinguished Service Awardees



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Ädelbrook Behavioral and
Developmental Services



Dana M. Silva

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Find more information at
www.ctcpas.org/CTCPAWomen,
or contact Cindy Panioto at
860-258-0213 or cindyp@ctcpas.org.



From the Executive Director

Looking to the Future – COVID-Next

Happy new year! Although none of us can predict what 2021 will bring, we are at least past the initial triage moments that last year brought.

Even as we all continue to face unprecedented issues both personally and professionally, it's vital to continue to look at the path forward – both as an organization and as a profession. With the COVID-19 vaccine already being distributed in Connecticut and across the country, I have my eye on the future, and I encourage you to do the same.

Whether you're a member in business, industry, a not-for-profit, or other organization looking to continue to improve your existing finance department, or you're a member in public practice looking at new or expanded advisory services, we're here to help.

In addition to our cover story on the real changes that COVID-19 has brought to almost every business, this issue takes a deep dive into the opportunities surrounding unique insurance options. Whether your own organization is considering a captive insurance solution or you'd like to be able to advise your clients on the opportunities before them, we've brought you information to get started.

Moving Forward as an Organization – Bylaws Vote 2021

I'd also like to draw your attention to the information on the page at right about our bylaws vote planned for this spring. This is a perfect example of how we are working to adapt our organization to be future-ready. Both our Strategic Planning Committee and our Bylaws Committee have agreed on several suggested modifications to our organization's leadership and membership structures in order to bring our members the best possible value and relevance as we move forward.

This vote was initially planned for spring of 2020, but leadership decided the best plan of action was to delay the vote until 2021 when members are less likely to be in "crisis mode" and can better focus on and cast their votes for these important changes.

These proposed modifications include increasing our Board of Directors' terms from one year to two as well as increasing the number of board members from seven to nine. This will allow for more continuity as well as ensure there are enough individuals to serve on various specialized committees and work alongside the CTCPA Advisory Council.

The other major proposal is to add a new CTCPA membership category for Professional Colleagues. This would allow non-CPA professional colleagues – working in technology, advisory services, HR, management, and other strategic roles – to collaborate and form meaningful relationships with our membership. Like Associate members, Professional Colleagues would not have voting rights.

If you have any questions or would like to discuss these bylaws proposals – or any other issues – I encourage you to reach out to me at bonnies@ctcpas.org or 860-258-0214. As always, I'm here to help.

Bonnie Stewart, Executive Director

>> New Initiatives in Motion

This fall I had a fantastic virtual "coffee hour" with some of our Premier members (see page 9 for more on Premier membership) – and I left that call and many other member meetings so inspired by your ideas. We've already set several initiatives into motion, and I wanted to share some of them with all of you.

Retiree Connect – Stay Connected to Your Profession and Association

Just because you retired doesn't mean that you want to step away from the profession and the society altogether! I hear you – retirement can actually be a perfect time to step up your volunteer activities and rediscover friendships.

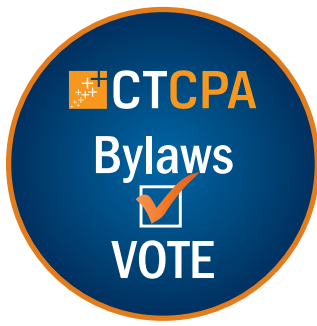
That's why we launched Retiree Connect, a special place for retired CTCPA members in our online community. We'll share needs, opportunities, speaking engagements, and more ways for you to get involved – and, of course, you can chat amongst yourselves! You can follow the instructions at www.ctcpas.org/RetireeConnect to sign up, or give Kirsten Piechota a call at 860-258-0231 and she'll get you set up.

We've Been Asked to Keep Up the Communications

Members continue to tell us how much they appreciated the timely, informative communications last spring and throughout the rest of the year. As we navigate this next round of COVID-19, we remain committed to bringing you the information you need on deadline changes and extensions, economic relief packages, and anything else that matters to you.

Our Student Members Want Mentors and/or Sponsors

In a recent student newsletter, we asked our student members if they'd be interested in having a mentor – and 100% of respondents said yes. Our student members are the future of the profession, so this is a fantastic opportunity to help shape that future ... but we need to know what that mentorship program would look like. If you'd be willing to share information about any successful programs you've worked with or help define this program in a focused, short-term, virtual committee assignment, let me know at bonnies@ctcpas.org.



Bylaws Committee Announces Spring 2021 Vote

Last year a Bylaws Committee was assembled and began meeting to consider and officially propose several changes to the CTCPA bylaws. Many of the modifications were first suggested by the CTCPA Strategic Planning Committee as it conducted a thorough review of the current bylaws to find provisions where the organization should consider changes.

The COVID-19 pandemic caused a delay in the vote – originally slated for spring of 2020 – in order to allow members to focus on adjusting to the immense changes in their personal and professional lives.

The Bylaws Committee is now planning a spring 2021 electronic vote. These amendments have been proposed by the Bylaws Committee, accepted by the Board of Directors, and will now need to be ratified by a full membership vote. At least 10% of the total voting membership must participate in order for a vote to be considered valid; for an amendment to pass, it must carry a two-thirds favorable majority.

Bylaws Committee Members

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Murphy & Company, LLC

Paul Iannone
Paul N. Iannone, Attorney at Law LLC

Stacey Curran
Beers, Hamerman, Cohen & Burger, P.C.

Marissa LaBelle
RSM US LLP

Mary Anne Milner
General Dynamics Electric Boat

Summary of Proposed Amendments

A red-lined version of the bylaws and a list of pros and cons will be made available on the CTCPA website and emailed to all voting members in advance of the spring vote.

Proposal

Change from Audit to No Less Than Review

This proposal suggests that the CTCPA's annual financial statements be subject to an attestation engagement by an independent firm at a level no less than a review. It is unclear when the CTCPA bylaw requiring an audit was last reconsidered. We know the CTCPA was organized in 1909, and a review-level engagement was not an option until 1978. The CTCPA has no regulatory requirement for an audit of its financial statements.

Proposal

Administrative Changes, Clarifications

The bulk of the proposed changes are simple rewrites to provide clarification, fix conflicts, correct grammatical errors, or make other small updates.

Proposal

Board of Directors Terms, Numbers

To increase continuity and collaboration within the organization, the Strategic Planning Committee (SPC) suggested changing the Board of Directors' terms from one year to two

years, as well as increasing the number of board members from seven to nine so that there are enough individuals to serve on various specialized committees and work collaboratively with the CTCPA Advisory Council.

Proposal

Membership Category Modifications

Professional Colleagues

As CPAs' roles continue to change, members work with non-CPA professional colleagues more and more with each passing day. Firms are rapidly growing their advisory services and employing a broader range of professionals. CPAs working in finance and business frequently serve in executive management roles, working alongside colleagues with varied specializations to make strategic decisions for their organizations. As a result, forming meaningful relationships with a broader range of professionals is more important than ever.

While we currently offer an Associate membership category, it only allows for a very narrow group of non-CPAs who work directly under the supervision of a CPA to join the CTCPA. Several of the SPC's eight subcommittees found

(continued on next page)

the current membership structure too restrictive to specific groups of professionals who would be valuable resources to other members.

The Professional Colleagues membership category could include attorneys, paraprofessionals, technology experts, governmental officials, and others who CPAs regularly collaborate and work with, creating a more robust membership with a deep bench of knowledge and experience.

Like Associate members, Professional Colleagues would not have voting rights.

Student Members

While in the current bylaws those who apply to be Students are not considered members of the CTCPA, in practice and in the documents the Society has been distributing for years, those individuals are considered members. This proposal reflects our current practice and makes those who qualify and join as Student Members official members of the CTCPA. **Student Members would not have voting rights.**

This modification also reduces from five to one the number of years after graduation that an individual may maintain their Student Member status, but continues to permit the Board of Directors Chair to extend that status one additional year if the Chair chooses.

The final proposed modifications to Student Members concerns changes to modernize and streamline the applica-

tion process. First, students would be permitted to submit electronic applications, and second, the requirement that the Board of Directors vote on Student Member applications would be removed.

Plan Members

Members routinely look to the CTCPA for various member benefits; chief among the benefits sought are insurance policies. The society has increased insurance offerings over the past few years; however, the ability to obtain the types of insurance and other benefits members would like and at an acceptable cost is limited by membership size.

Collaborating with other organizations to increase buying power would significantly benefit members. Unfortunately, most providers restrict collaboration by requiring that anyone participating in a CTCPA plan be a CTCPA member and not a member of one of our sister organizations. Therefore, collaborating is not always easy.

Individuals would only be eligible for this new Plan Member category if they were a member in good standing of another society or association with which the CTCPA has entered into a provider agreement and they meet applicable eligibility requirements.

Plan Members would not have voting rights or other vested rights other than the ability to purchase certain services or products.

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Advocacy Update

By Bonnie Stewart, CTCPA Executive Director

2021 Legislative Session Will Present Unique Challenges

This year's legislative session will be very different than any one before. Most people, including legislators, will be working remotely, at least for the first half of session. This means our advocacy work will require quite a bit more time and effort to achieve results.

House majority and minority leaders have said they plan to minimize the number of bills taken up this year. The CTCPA did receive some recommendations for a 2021 agenda, so we have both regulatory and legislative initiatives we will be working on. We will also continue our work to represent and defend the profession in the areas important to us.

This session is sure to bring a number of challenges, especially in light of the state's economy and budget situation. We don't know for sure what's to come, but proposals such as a sales tax on professional services are a concern.

While in years past we or our contract lobbyists only needed to visit the

Legislative Office Building or Capitol to have in-person conversations with lawmakers, this year we will need to try to reach them via phone or virtual meetings.

Rest assured that we are up for the challenge and will continue to do everything we can to advocate on behalf of the profession. In order to do that most effectively, though, we need your help.

Do You Have a Connection with a Lawmaker? Please Let Us Know!

Personal outreach from established contacts is extremely powerful. If you know a specific legislator personally or have any sort of connection, no matter how small, please let me know at bonnies@ctcpas.org. A phone call or a personal introduction from you could make a large impact on our advocacy efforts.

Input from constituents is also vital. Throughout session, we will be reaching out to members in key districts to ask them to contact their legislators on

specific issues. If you have an interest in developing a relationship with any of your elected officials where you live or work, please also reach out.

Look For Our Continued Communications and Action Alerts

All members have been receiving our New England Advocacy Updates throughout the summer and fall to keep you in-the-know on developments in Connecticut as well as our neighboring states. These communications have ramped up now, with an additional Connecticut Advocacy Update you'll see throughout session. If there is something we're not covering in these updates that you'd like to see, please don't hesitate to reach out.

We will also get you breaking updates and action alerts when there is something you need to know or act on immediately. We will continue to utilize our Voter Voice advocacy software to make it quick and easy to contact your legislators when the need arises.

Connecticut State Board of Accountancy Updates

CTCPA attends all six of the Connecticut State Board of Accountancy (SBOA) meetings throughout the year so we can report back to our membership.

CPA Exam Expirations Extended Due to COVID-19

In response to a series of CPA Exam extension requests made by individuals due to COVID-19 and the expectation that there would be more to follow, **the Board voted to automatically extend Exams expiring between April 1, 2020 to June 30, 2021 until December 31, 2021.** Further dates will be revisited at the March 9, 2021 meeting on by a case-by-case basis.

The CTCPA advocated in favor of the extension as it increases flexibility for our members dealing with COVID-19-related issues.

CPE Reporting Deadline Poll Favors Permanent Change to December 31

Thank you to those of you who answered our poll on whether you'd prefer a June 30 or a December 31 CPE deadline. The big winner was December 31. Changes to the state regulations are needed for the date to be changed, and regulatory changes usually take a minimum of three years.

CTCPA will raise the matter with State Board of Accountancy members at their January meeting to begin discussions about a possible deadline change. We appreciate your feedback!

Vacancies Within State Board; CTCPA Submitting Nominations

There are currently two vacancies within the State Board (one CPA and one non-CPA). Based on feedback from members requested at the end of the year, the CTCPA will recommend five people for each vacancy – five CPAs and five non-CPAs.

Thank you to all who submitted recommendations to us. We will keep you apprised once the governor appoints the new SBOA members.

News from the National Association of State Boards of Accountancy

CPA Evolution On Track

The National Association of State Boards of Accountancy (NASBA) remains on track and confident of a January 2024 release date for the new CPA Exam. Several groups developed by the AICPA and NASBA continue to advance the new exam. Seven states (including Connecticut) require modifications to the specificity of the CPA Exam. The Connecticut State Board of Accountancy continues to progress these changes.

NASBA is working with educators and students to prepare for the exam changes. The AICPA and NASBA have offered ongoing support to universities through critical thinking pilot programs for small universities, outreach to department chairs, and access to an Academic Resource Hub. Although there is continued support, many colleges and universities have requested more guidance as to what they need to include in their curriculum versus what firms and companies will be training new hires to do.

The AICPA and NASBA will continue to adjust the framework of the new exam to fit the needs of the ever-changing profession. Once we hear more, we will pass it along.

Continuous Testing Launched; Connecticut Modifications in Progress

Continuous testing has successfully launched. This offers year-round testing without any restriction other than waiting to retrieve scores from prior attempts of the same section. Before continuous testing debuts in Connecticut, legislative and regulatory changes are required. The CTCPA is already working with the Connecticut State Board of Accountancy to modify Connecticut's regulations. There are many steps in the regulatory process; the modified regulations are currently at the governor's office. We will update you as more information becomes available.

Legislative Updates

NASBA recapped several public policy issues that impacted the accounting profession in 2020.

Looking back to October 2019, it was known the deregulation of occupations/professions was going to be an active issue. However, when COVID-19 hit a number of legislative sessions were either put on hold, adjourned early, or delayed. As a result of this we saw a number of governors across the country use their leadership to initiate executive orders. Through these executive orders, a number of occupational regulations were waived. For example, executive orders were introduced that suspended open meetings and relinquished the delivery of in-person CPE courses, allowing Boards to recognize CPE credits taken through various on-line platforms.

Additional active issues that we saw during 2020 included the Criminal Conviction Legislation, which would prohibit a board from blocking someone with a prior criminal conviction from entering into an occupational profession, and legislation relating to the Universal Licensing Act, which would make it less complicated for a CPA to become licensed in a different state.



Tax Questions? Take Advantage of Our Resources

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- **Accountant Knowledge Center:** Access the online 2021 U.S. Master Tax Guide®, financial calculators, and more. payx.me/akc
- **Accountant Year-End Reference Center:** Tax agency notices, key dates and deadlines, a checklist, and more. payx.me/ctcpa-year-end

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All of our in-person programs have been moved to an online format. We are pleased to offer the same high-quality meetings and programs you've come to expect from the CTCPA virtually. We will resume in-person programming when it is safe to do so and look forward to seeing you then.



Livestream

CONNECTION Meeting

1:00-2:00 p.m. • CPE Credit: 1 • Free

We've combined our free regional educational series to online programs featuring breaking professional, regulatory, and economic topics.

Student CONNECTION Lunch-and-Learn:

Virtual Interviews

Thursday, January 21

Speaker: Erik Morrissey, J. Morrissey & Company, Inc.
The pandemic has made life virtual - and job interviews are no exception. Zoom toward success with the do's – and the big don'ts – of virtual job interviews.

This program is geared toward students but open to all.



Virtual Meetings

Technology Breakfast Roundtables

8:00 a.m.

The Technology Committee is here to help all members with virtual work, online software, and anything else you're dealing with technology-wise. Bring your questions for these informal discussions.

Using AI for Automated Functions

Thursday, January 21

How to Leverage the Software You Already Have to Manage Client Relations

Thursday, February 18



Virtual Meeting

Employee Benefit Plans Committee Meeting

Wednesday, January 27 • 8:30-10:00 a.m.

Join us for a friendly, interactive meeting including roundtable discussion of changes affecting plans, auditors, and employers.



Virtual Meeting

Governmental Accounting and Auditing Committee Meeting

Tuesday, February 2 • 8:30-10:00 a.m.

Join group members who include both public sector finance professionals and those who serve them in public accounting to discuss developments, new regulations, and compliance issues.

Livestream vs. Virtual: What's the difference?

Livestream meetings and programs feature a presentation you listen to and learn from; you may ask questions through the chat function at any time and the speaker will respond, and there may be some opportunity for dialogue among attendees.

Virtual meetings are more interactive opportunities to get together with your peers and brainstorm, share ideas, and get answers and advice.

CTCPA Committees and Groups

Take advantage of the networking and idea-sharing you've come to expect from the CTCPA. Many of our committees and roundtables were already offering online meeting participation and continue to do so, and each group also has an accompanying online community.

Join groups and find upcoming meetings at www.ctcpas.org/groups.



Accounting, Auditing, & Financial Reporting Committee

Discuss exposure drafts and enhance relationships with standard-setters.
Contact: Cindy Panioto • cindy@ctcpas.org



Diversity, Equity, and Inclusion Initiative

Promote diversity and inclusion within the profession and at our organizations.
Contact: Cindy Panioto • cindy@ctcpas.org



Educators FOOD Group

Discuss hot topics in this candid, conversational "For Our Own Development" (FOOD) group.
Contact: Bonnie Stewart • bonnies@ctcpas.org



Employee Benefit Plans Committee

Discuss issues affecting benefit plans, program audits, and employers.
Contact: Lisa Bugryn • lisab@ctcpas.org



Fairfield County Chapter

Meet for networking and education in Fairfield County locations.
Contact: Cindy Panioto • cindy@ctcpas.org



Federal Taxation Committee

Share ideas, issues, and best practices and build relationships with legislators and regulators.
Contact: Cindy Panioto • cindy@ctcpas.org



Finance Professionals in Industry Group

Explore regulatory, compliance, and management issues.
Contact: Cindy Panioto • cindy@ctcpas.org



Financial Institutions Committee

Share trends, regulatory and legislative developments, and new pronouncements.
Contact: Bonnie Stewart • bonnies@ctcpas.org



Golf Committee

Support Accounting Scholarship Foundation scholarships/grants by helping plan our annual golf tournament.
Contact: Liz Frazza • lizf@ctcpas.org



Governmental Accounting & Auditing Committee

Talk FASB, GASB, and single audits with public sector and audit professionals.
Contact: Lisa Bugryn • lisab@ctcpas.org



Investment Committee

Oversee the CTCPA's investment portfolio and report to the Board of Directors.
Contact: Julie McNeal • juliem@ctcpas.org



Membership Committee

Recruit new members and ensure that membership is a rewarding experience.
Contact: Alicia Strong • alicias@ctcpas.org



New & Young Professionals Cabinets (Hartford/Fairfield)

Plan programs and volunteer opportunities for members aged 35 and younger.
Contact: Alicia Strong • alicias@ctcpas.org



Not-for-Profit Organizations Committee

Focus on accounting, taxation, and financial reporting for not-for-profits.
Contact: Cindy Panioto • cindy@ctcpas.org



Peer Review Committee

Stay ahead of changing standards and explore the peer review market niche.
Membership by CTCPA presidential appointment.
Contact: Julie McNeal • juliem@ctcpas.org



Professional Ethics

Investigate ethics complaints and maintain the Code of Professional Conduct.
Membership by CTCPA presidential appointment.
Contact: Lynette Lindner • lynettel@ctcpas.org



Southeastern CT Chapter

These networking and educational meetings are held in locations across Southeastern Connecticut.
Contact: Bonnie Stewart • bonnies@ctcpas.org



State Taxation Committee

Navigate the regulatory and legislative aspects of Connecticut tax compliance and connect with elected leaders.
Contact: Bonnie Stewart • bonnies@ctcpas.org



Technology Committee

Ask and answer questions with technology experts at our monthly breakfast roundtables.
Contact: Cindy Panioto • cindy@ctcpas.org



Trust, Estate, & Gift Taxation Committee

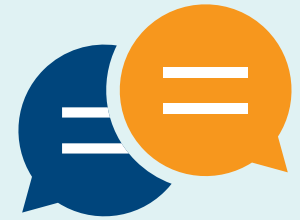
Coming this spring! Connect with colleagues in this specialization.
Contact: Bonnie Stewart • bonnies@ctcpas.org



Valuation, Forensic, & Litigation Support Group

Connect with other experts on legal considerations, witness reports, testimony, and more.
Contact: Liz Frazza • lizf@ctcpas.org

CTCPA Connect



Hello!

CTCPA Connect is an online member community that allows you to ask and respond to questions, collaborate, and share with fellow members online.

Login at www.ctcpas.org/connect to join a group and start the conversation. If you're already a member of a CTCPA group, you are automatically a member of that group's Connect community.

To make sure you receive group notifications via email, login to www.ctcpas.org/connect and click on "My Account" to set your email preferences.

www.ctcpas.org/connect



Participate via email!

Once you have logged in and joined the groups that interest you, you'll be notified of all new group discussions via email. You can even respond to conversations right from your email inbox on your desktop or mobile device.

You can set your notification settings for immediately, daily, or weekly digest for each group.

Business Transformation in the Wake of the COVID-19 Crisis

By Rick Pastore, Senior Director, IT Research Advisor, The Hackett Group, Inc.

There is light at the end of the pandemic tunnel for businesses, even if no one is certain how long that tunnel might be, and how many more curves, dips, and inclines will be encountered along the way. Most companies are not dwelling on the train wreck that was 2020, but looking forward to 2021. The Hackett Group polled clients across the general and administrative (G&A) functions (IT, HR, finance and procurement) about their 2021 outlook – 70% expect operations to stabilize in 2021, and 16% said it would happen even sooner (by end of 2020, no less).

These predictions are great to hear, but stabilization doesn't generate top- or bottom-line growth. The thinking is much more downbeat in those areas: Only 19% anticipate a positive impact on operational and financial performance in 2021. Eighty percent of our G&A leaders say they expect lower economic growth to be an enduring characteristic of the post-COVID business environment.

I understand the pessimism there, but what we need to realize is that there have been several upsides for business from this disruption, and if we embrace them fully, it will make businesses better able to adapt to whatever lies beyond the tunnel. Here are six positive developments triggered or accelerated by the pandemic disruption, and the potential lasting impacts they could have on business:

1. A real-world test of business continuity plans at a global level. Companies will be better prepared for future disasters, and more resilient because of it.
2. Exposure of supply chain and sourcing shortcomings. Companies will suffer fewer shortages through diversification of suppliers and optimization of supply chains.
3. An opportunity for G&A function heads to step out of their silos and lead collaboratively and decisively. Bureaucracies and hierarchies are giving way to inclusive but streamlined governance and faster, but more informed decision making.
4. Validation of cloud-hosted infrastructure strategy. Companies will be less dependent on the limitations and vulnerabilities of on-premise technology.
5. More generally, a fire was lit under the cause of digital transformation – many business functions have advanced their digital capabilities more in the last six months than

they had in the past three years. Companies will be better able to compete in the digital era.

6. An overdue acknowledgement by managers that knowledge workers can be effective working from home. This leads to the most significant impact for business – access to a global talent pool that was previously not considered a viable resource for most companies.

I want to consider the last two upsides more closely, starting with bullet number 6. Think about what a game-changer it is that organizations are now fully accepting of full-time remote workers. Companies that struggled to find local talent can now hire people working virtually anywhere. Consider what this means to businesses struggling to hire and competitively pay technical talent in the shadows of digital giants like Google and Microsoft.

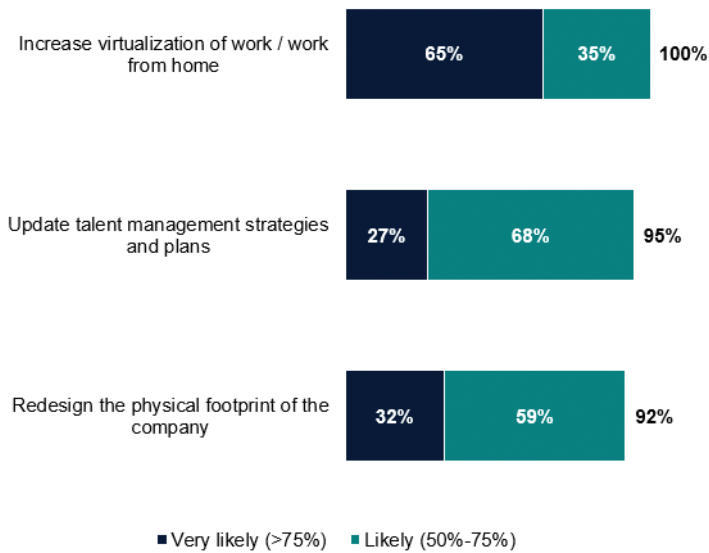
Now they can hire a data scientist or RPA programmer in Iowa or Indiana for far less than it would have taken in San Jose or Seattle. Public sector and nonprofit organizations suddenly have a new hope of hiring the people they need without having to fight inflexible institutional pay scales.

Executives are already becoming aware of these implications. Of G&A leaders responding to The Hackett Group's recent survey on coping with extreme uncertainty, 75% said that globalization of the talent pool would be an enduring characteristic of the post-crisis new normal, and half of them said it would have significant impact on their businesses.

But will they actually avail themselves of this new talent access? Will HR organizations adjust their recruitment methods and research pay scales in potentially dozens of new localities? Will corporate benefits organizations do the extra work to find local health plans to serve solitary remote workers? Time will tell. But several data points from our survey portend that they will –

- 100% of respondents across G&A functions (which includes HR) said they will increase virtualization of work (work from home).
- 95% said it was likely they will update their talent management strategies and plans.
- 81% plan to redesign the physical footprint of the company.

Adaptive Workforce Responses Planned for 2021



Source: 2020 Extreme Uncertainty Poll, The Hackett Group

There will certainly be problems with having solitary individuals hired and scattered across the country or planet. How do you build and spread the corporate culture across such a landscape? How will working relationships and trust form and grow when workers rarely if ever spend significant time together? And how many managers will successfully adapt to taking care of their people and leading teams that are remote? Time will tell.

But there is another approach to tapping the global talent pool that is a compromise between the solitary worker from home scenario and the traditional idea of requiring everyone to be in the corporate office. That is, to open a new satellite office in a low-cost location that would not have been considered in the past. CIOs are already familiar with this model, having opened captive offshore IT centers. Can the model work for finance or procurement teams? Probably. HR or operations? Seems less likely.

But again, we will see how this too good to ignore opportunity plays out.

Now, on to upside number 5 – acceleration of digital transformation. I’m not going to speculate why it required a full-scale derailing of business operations to propel companies toward a digital operating model. We work with several large global companies that have been aggressively transforming since 2010. But we also have data about business functions that have a woefully brief history with transformation – even IT functions.

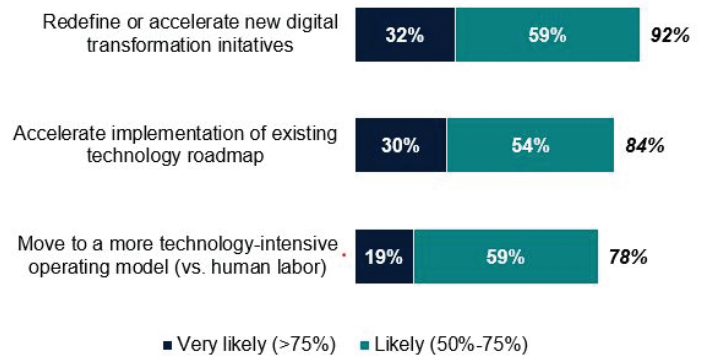
As of the start of 2020, 26% of IT leaders said they had completed only one-to-two years of transformation of their own functions. Worse, 41% had either just started or had not even started. I’d like to think that this is a “cobbler’s children” – IT has been too darn busy helping other functions transform. But I can’t state that with certainty, unfortunately.

Then comes the pandemic’s global business shutdown, and companies that had made the most digital progress fared the best. The rest had to scramble to limit operational damage. Not one CIO I talked with in April or May had said “I told you so” to their digital-delaying and bean-counting peers, though it was justified. Instead, they said “never let a good crisis go to waste,” and throttled up their digital roll outs.

Desktop PCs were replaced by laptops and virtual desktops over the span of a mere 5 business days. VPNs multiplied like rabbits, securing access from homes. 20th century paper-pushing processes were replaced with 21st century electronic document management. Improved digital order and delivery systems sprung up or kicked into high gear. Supply-chain data analytics grew more sophisticated and timely, and data dashboards appeared on more screens. Manual-task bottlenecks were exposed for the risks they represent, and are being excised by smart automation.

Now, virtually all the G&A leaders are on the digital train, with 92% saying they will likely accelerate digital transformation, and 84% say they will accelerate the implementation of their current technology roadmap (below).

Adaptive Digital Transformation Responses Planned for 2021



Source: 2020 Extreme Uncertainty Poll, The Hackett Group

The upshot: By the end of 2021, the digital profile of most businesses should look very different than it did at the beginning of 2020.

There are likely other positive effects on business that will emerge from the wreckage of 2020, though we may not appreciate them or see their real impact until late 2021. Certainly, office rents could be lower, and T&E budgets will shrink. There will also be greater variety and customization of business-to-business and business-to-consumer delivery channels.

If businesses embrace and operationalize these positives, then there will be lasting upsides from this disaster. If 2020 was the train wreck, then let 2021 be the year we lay new tracks, fire up a stronger engine, and accelerate into the light beyond the tunnel.

Building the Firm of the Future:

Exploring Captive Insurance and Other Advisory Services

By Ron Roth, Senior Vice President – Strategic Planning, National Network of Accountants

“The most reliable way to predict the future is to create it ...”

– Abraham Lincoln

It has never been more apparent that the business world is changing rapidly. This is especially true for CPA firms, who, as their clients’ “most trust-

ed advisor,” are tasked with the challenge of helping businesses and business owners adapt and flourish among these changes.

Even before the COVID-19 pandemic, business models across all industries had been changing due to a variety of factors, most notably advances in technology, globalization of many industries, and changing demographics. The pandemic has put even more pressure on businesses to adapt to the new business landscape and to focus on how to successfully navigate these changes.

In order to better serve and retain their existing clients, attract new clients, and best position themselves to retain their “most trusted advisor” status going forward, CPA firms must begin to adapt their practices and change their own business models as they look into the future.



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In order to better serve and retain their existing clients, attract new clients, and best position themselves to retain their “most trusted advisor” status going forward, CPA firms must begin to adapt their practices and change their own business models as they look into the future.

The CPA firms that are best able to proactively create their own version of the “firm of the future” should be well ahead of their peers who wait for these changes to occur and are then forced to react, hoping they aren’t too late.

As we look at how CPA firms are adapting, one area of focus must be on the approach of providing advisory services to their clients. Recently, there has been a rise in the number of CPA firms that are adding multiple advisory services to their traditional accounting and tax practices in an effort to meet the needs of their clients, ensure their ongoing profitability, and expand their role as “most trusted advisor.”

>> Learn more about captives in the article “Six Reasons You Should Consider Captive Insurance for Your Company or Your Clients,” starting on the next page.

One area of advisory services that should be considered by firms that focus on upper-level small businesses and middle market business clients is that of captive insurance planning. Helping these clients consider the concept of private captive insurance companies brings together the business’ risk management, tax planning, and overall growth and development.

Being able to successfully advise clients in these areas can separate a CPA firm from its competitors who do not have such capacity. It is accounting firms with this type of foresight that will be able to help achieve the future vision for their clients.



Ronald Roth is the Senior Vice President – Strategic Planning for the National Network of

Accountants in Syosset, NY. Ron has 30 years of detailed knowledge and earned experience in the life insurance and wealth management industry. He has held management positions at the world’s top insurance companies and helped grow a number of nationally recognized producer groups.

Ron has over the years also been a regular contributor to several nationally recognized industry publications, including The CPA Journal, The National Underwriter, and The Journal of Accountancy. He can be reached at 516-629-9063 or rroth@nnaplan.com.

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Six Reasons You Should Consider Captive Insurance for Your Company or Your Clients

By Mario J. Richter, Director of Market Development, Spring Consulting Group, LLC, an Alera Group Company

The concept of “unbundling” traditional insurance (i.e., not simply paying your annual premium) is not a new one. In fact, it’s been around since the late 1800s, when the development of captive insurance companies first originated. Why? Because like today, some companies were finding it difficult to afford or find the insurance they needed from the market.

Today, captives are a very common and widely used risk-financing vehicle for companies of all sizes to better manage their costs and risks more effectively. While not for everyone, there are many reasons why forward-thinking companies might consider leveraging captives as a long-term strategy for both property and casualty and employee benefit risks.

A Recent Example of Captive Success

We all know many organizations are struggling with the high cost of health insurance – something they feel they need to provide because their employees typically represent their biggest and most valuable asset. Providing competitive benefits is not just the right thing to do, but a sound business decision.

Colleges and universities are no different and in 2013, in an effort to take more control of their healthcare benefits, several New England colleges and universities formed a medical stop-loss group captive that originally included six schools. Through 2019, the captive

has experienced exceptional results; it has more than tripled in size (with 22 member schools), and the average healthcare increase over that period was only 1.7%, well below the market average.

In fact, in 2019 the group experienced a decrease of 3%. Overall, the schools have saved an estimated \$62 million compared to being fully insured. These results were delivered without alternating plan designs or changing employee contributions.

Where You Come In

This is not to say that captives are a silver bullet or a good fit for all companies. Traditional insurance is often a great option as well. Any company considering a captive needs to be fully committed to it as a risk management tool and have the resources in place to maintain the necessary support functions.

However, accounting and finance professionals are seen by their organizations, their clients, and their prospects as their “most trusted advisors” who bring important insights and help them compare what they are doing against their peers.

These insights would include both actionable and conceptual items such as traditional insurance options, new products and services, and alternatives. By introducing the concept of a captive, you may be able to bring a new

level of innovation to the table and help differentiate yourself from competitors. While captives are considered the “whiteboard” of insurance, meaning the possibilities are almost endless, the most popular coverages to consider are the following:

- Property and casualty lines – workers’ compensation (WC), errors and omissions (E&O), directors and officer (D&O), product warranty, credit risk.
- Employee benefits – life and disability, medical stop-loss, voluntary, retiree medical, supplemental executive retirement plans (SERPs), etc.
- Multinational pooling – international life, disability and medical stop-loss.
- Cyber risk.
- Other third-party risks – such as renter’s insurance.

Employee Benefits and Captives

Since employee benefits have become an extremely popular risk to add to captives (especially medical stop-loss), let’s explore that further. The reason for this trend has been two-fold:

- The rising cost of catastrophic claims. Self-insured organizations are increasingly concerned about the financial impact of high-cost claims; unfortunately, seeing \$1M or \$2M claims is becoming commonplace. One such large claim could have a material impact on the financial sustainability of the program.

- The hardening insurance market is driving employers of all sizes to seek alternative solutions to insulate them from market conditions.

As healthcare and benefit costs have been rising over the past decade, captives have become the go-to solution for organizations looking to bend the healthcare cost curve as well as create a more efficient employee benefits program.

Traditionally, captives have been viewed as purely a funding mechanism for employee benefits that provides the following advantages:

1. Cost Savings and ROI

A major advantage that organizations with captives may experience vs. commercial carriers is the opportunity to recapture part of the premiums. Captives require capital infusion to start and get off the ground. The profits/savings from the insurance carrier accumulate in the captive and can, over time, begin to yield returns on investment as seen with the universities group captive mentioned above.

Captives also offer the ability to evaluate their ROI against their hurdle rate as their internal rate of return. A company can determine if an investment will give them adequate benefit or savings over a given timeframe based on their rate of return, and then decide if that investment is worth following through with, or if another solution is more economically sound.

In addition, the following captive factors may contribute to cost savings for the parent organization:

- Better control of premium costs (transparency, stability, and predictability).
- Reduced frictional costs (commissions, taxes, insurer profit, administration).
- Captured underwriting savings.

- Earned investment returns.
- Improved cash flow for parent organizations.
- Buying insurance as an insurance company.
- Transfer of less risk to insurance company.
- Tax advantages.

These cost savings can be allocated toward additional benefits, perks, or to bolster your existing programs.

2. Enhanced Data

Captives facilitate transparency and more access to data. This allows organizations to act in a proactive manner and implement risk mitigation and control protocols in an almost real-time basis. Comparatively, a fully insured commercial market policy may result in a delayed information transition of six to twelve months.

A captive may allow you to use the data you have collected to make changes in time for your upcoming plan year. This visibility allows the parent organization to better understand the current cost drivers, as well as preventative programs that are delivering their intended result(s).

3. Competitiveness

Captives create competitiveness in the market and can compel commercial carriers to offer better terms and costs by virtue of a captive's existence. In many instances, as a result of their existence, commercial carriers may be more willing to create quota share arrangements.

Captives are a unique, tailored solution for the insured(s) and offer a high level of customization, often with very little change in premiums. They have the ability to insure risks unique to the parent organization and may be able to fill in the gaps of coverage when commercial markets are unable to do so.

This is not to say that captives are a silver bullet or a good fit for all companies. Traditional insurance is often a great option as well. Any company considering a captive needs to be fully committed to it as a risk management tool and have the resources in place to maintain the necessary support functions.

4. Enterprise Risk Management

AM Best defines Enterprise Risk Management (ERM) as, "establishing a risk-aware culture and using tools to consistently identify and manage, as well as measure risk and risk correlations." An organization that utilizes a captive is likely to have a stronger ERM system in place because it is more motivated to better manage its risks. In most cases, the captive is a vital cog in the ERM wheel. This close alignment may allow for better results for both parties, and a lower total cost of risk for the captive.

5. Ability to Identify Emerging Risks

A captive's structure and foundation in ERM gives it an added advantage of foreseeing emerging risks. Typically, all key stakeholders and the entire risk team of an organization will be involved in the captive's management and activity. Having a strong alignment between the parent company, the captive, the IT team, the risk experts, the actuaries, and other main players means that everyone is on the same page.

A captive can make long-term assessments while also flagging and resolving issues quickly. There is no fragmentation of knowledge in a captive setup, and all stakeholders have the same interests. In sum, captives allow organizations to be nimble and react to changing market conditions quicker than commercial market carriers.

(continued on next page)

6. Retention

Many captives have a retention rate of 90% or higher. This is, in part, because policyholders are routinely rewarded through dividend payments from the captive that are higher than those seen in the commercial market. These profits can be used in a multitude of ways to further benefit the captive. For example, policyholders could underwrite additional lines of coverage without the need for more capital, provide premium holidays on programs, or fund FTEs.

This, combined with the lack of competition, means that captives do not need to shop around for business each year, creating savings in acquisition costs that can then be returned to the captive (e.g., in the form of loss control) to further benefit the insureds.

How a Fronted Captive Program Works

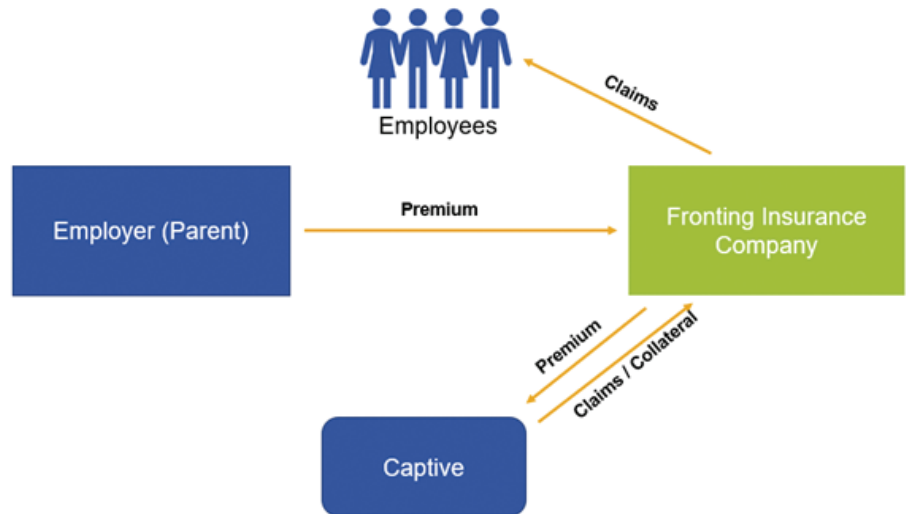
Under this program, employees see no change to their benefits and can continue to operate as they currently do (i.e., a commercial carrier stands in front of the captive, so from an employee perspective there is no change in the way they interact with the insurance company). On the back end, the carrier cedes risk and premium dollars to the captive. To the employee, nothing changes.

Under such an arrangement, the fronting insurer continues to administer the program. The employer pays the fronting insurer an annual fee for its services, allowing the captive to retain underwriting profit (if any) from the program. Depending on the risk appetite of the organization and the results of the actuarial modeling, the employer may choose to buy reinsurance for the program.

Considerations in Getting Started

The initial step involved in adding benefits to an existing captive, or forming a new captive, is conducting a feasibility

This chart illustrates how a typical fronted captive program works.



study to outline the qualitative and quantitative factors for consideration. These factors include potential savings, program structures, design alternatives, insurance considerations, and implementation requirements.

Today those in the insurance industry are facing difficult circumstances on a variety of fronts. The recent pandemic has led to the hardening of markets. We are seeing substantial rate increases for clients. Captives may offer a solution to mitigate increasing costs in a sustainable manner.

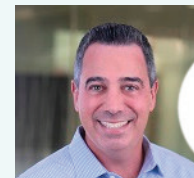
In addition, captives provide access to additional data and insights that can help organizations get a clearer understanding of claims drivers, and therefore allow for implementation of solutions and tools that reduce claims costs.

Further, captives provide organizations the ability to impact the soft costs of human capital by identifying and crafting unique solutions to meet their employees' needs – more important now as the pandemic sheds light on gaps in coverage many did not realize existed.

Captives are useful and versatile risk financing tools, especially for employee

benefits, and can produce cost savings as compared to fully insured guaranteed cost plans.

Of course, it will all depend on the risk appetite of the organization and if a captive strategy aligns with its overall business philosophy. With any financing arrangement there is risk and it is important to fully consider all options in choosing a more traditional route or an alternative path like a captive. If your clients or your company have yet to learn about or consider a captive, now may be the time.



Mario J. Richter is the Director of Market Development for Spring Consulting Group, an Alera Group Company,

LLC. Headquartered in Boston, Spring Consulting Group is a leading professional service firm whose core focus is developing integrated and innovative solutions around employee benefits, risk management and wealth strategies.

He can be reached at 857-239-1241 or Mario.Richter@springgroup.com.



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*Amount based on average annual savings reported by Plymouth Rock customers in multiple states who switched during 1/1/2018 to 12/31/2018. Your premium may vary due to the state in which your policy is written, differences in the Plymouth Rock underwriting company, available discounts, eligibility requirements, driving record and other factors.

¹Connecticut affinity automobile group discounts apply to policies written in Palisades Insurance Company. Not available through Independent Agents. If a policy qualifies for an affinity group discount in more than one group, only one affinity group discount will apply.

²Available to customers who have purchased comprehensive or collision coverage.

³Personal auto insurance policyholders may be reimbursed up to \$50 of taxi fees once per year for a one-way ride if they find themselves in a situation where it would be unsafe to operate their vehicle (not applicable to mechanical breakdown). Original receipt must be submitted with the reimbursement form.

Professional Development *Webinars*

Date	Begins	Ends	Title	Member/ Nonmember	CPE Hours	Express Code
> Accounting and Auditing						
1/22	9:00 am	5:00 pm	Leases: Mastering the New FASB Requirements	\$279/\$339	8	AICPA446
1/26	9:00 am	5:00 pm	Revenue Recognition: Mastering the New FASB Requirements	\$279/\$339	8	AICPA452
1/28	9:00 am	5:00 pm	Annual Accounting and Auditing Update	\$259/\$384	8	ACAU0128
1/29	9:00 am	10:00 am	Advanced Budgeting: Balance Sheet and Cash Flow Projections	\$49/\$69	1	CPAX7253
2/3	9:00 am	5:00 pm	Integrating Audit Data Analytics into the Audit Process	\$279/\$339	8	AICPA466
2/5	9:00 am	5:00 pm	Compilations, Reviews, and Preparations: Engagement Performance and Annual Update	\$259/\$384	8	CRAU0205
2/8	10:30 am	2:30 pm	Interpreting the New Revenue Recognition Standard: What All CPAs Need to Know	\$179/\$219	4	AICPA467
2/9	1:00 pm	5:00 pm	Applying Professional Skepticism in an Audit	\$179/\$219	4	AICPA469
2/10	2:00 pm	3:00 pm	Compilations, Reviews and Audits: How They Differ	\$49/\$69	1	CPAX7357
2/11	10:30 am	6:30 pm	Internal Control and COSO Essentials for Financial Managers, Accountants, and Auditors	\$279/\$339	8	AICPA474
2/12	9:00 am	1:00 pm	Shorten Month-End: Closing Best Practices	\$139/\$204	4	CPAX7371
2/15	10:00 am	12:00 pm	Payroll Fraud: Detection and Prevention	\$79/\$114	2	CPAX7384
2/16	9:00 am	5:00 pm	Annual Update for Accountants and Auditors	\$279/\$339	8	AICPA476
2/18	1:00 pm	4:30 pm	Examining the New Lease Accounting Standard: More Than Meets the Eye	\$139/\$204	4	NLS40218
2/23	11:00 am	1:00 pm	Detecting and Preventing T&E Fraud	\$79/\$114	2	CPAX7459
2/26	1:00 pm	4:30 pm	Construction Contractors: Accounting and Financial Reporting Issues	\$139/\$204	4	CST40226
2/27	12:30 pm	2:30 pm	Fiduciary Accounting for Estates and Trusts	\$79/\$114	2	CPAX7509
3/3	1:00 pm	4:30 pm	Ensuring Audit Quality: Performing an Effective Risk Assessment	\$139/\$204	4	RAA40303
3/5	3:30 pm	5:30 pm	Payments Fraud: Detect & Prevent Check, ACH and P-Card Schemes	\$79/\$114	2	CPAX7560
3/8	1:00 pm	4:30 pm	Revenue Recognition for Long-Term Construction and Similar Contracts: Topic 606 Implementation Challenges	\$139/\$204	4	LTC40308
3/9	4:00 pm	6:00 pm	Commonly Missed Analytical Procedures	\$79/\$114	2	CPAX7581
3/11	10:00 am	12:00 pm	Going Concern Uncertainty: Complying with the New Requirements When Preparing or Reporting on Financial Statements	\$89/\$124	2	AAGC0311
3/12	1:30 pm	5:00 pm	Mastering Accounting for Income Taxes	\$139/\$204	4	AIT40312
3/16	9:00 am	5:00 pm	Looking Ahead: Predicting Future Financial Issues and Their Impact on Accountants in Industry	\$259/\$384	8	FFFE0316
3/18	9:00 am	5:00 pm	Advanced Audits of 401(k) Plans: Best Practices and Current Developments	\$259/\$384	8	AAFP0318
3/19	1:00 pm	5:00 pm	Purchasing, Inventory, and Cash Disbursements: Common Frauds and Internal Controls	\$179/\$219	4	AICPA502
3/23	9:00 am	5:00 pm	Documenting Your EBP Audit: What You Need to Know	\$279/\$339	8	AICPA505
3/25	9:00 am	1:00 pm	Not Just Your Everyday FASB Update	\$139/\$204	4	CPAX7695
3/26	2:00 pm	4:00 pm	Analytical Procedures: Practical Applications and Standards	\$79/\$114	2	CPAX7713
> Business Law						
2/17	9:00 am	1:00 pm	Employment Law Update: Reducing Employer Liability	\$179/\$219	4	AICPA480
3/1	1:00 pm	3:00 pm	What Employers Need to Know About Sexual Harassment in the Workplace	\$89/\$124	2	SEHA0301
3/31	1:00 pm	3:00 pm	Hiring and Firing of Employees – What You Can and Cannot Do	\$89/\$124	2	HFEM0331
> Business Management and Organization						
1/21	12:00 pm	2:00 pm	Remote Working for Accountants	\$79/\$114	2	CPAX7187
2/18	1:00 pm	5:00 pm	Change the Way You Work: Success as a Virtual CFO	\$179/\$219	4	AICPA481
2/19	9:00 am	10:00 am	Critical Thinking for Financial Professionals	\$49/\$69	1	CPAX7429
2/22	1:00 pm	5:00 pm	The Changing Role of the Controller: Advancing from Tactical to Strategic	\$179/\$219	4	AICPA487
3/8	9:00 am	11:00 am	4 Critical Factors to Create Sustainable Growth	\$79/\$114	2	CPAX7561
3/11	1:00 pm	4:30 pm	CFO/Controller's Roadmap to Organization Success With Integrated Planning, Forecasting, and Budgeting	\$139/\$204	4	PLF40311
3/16	1:00 pm	4:30 pm	Controller/CFO Update: Hot Topics Facing Today's Financial Professional	\$139/\$204	4	TCF40316
3/22	1:00 pm	3:00 pm	Accounting Chaotics: Managing Organizational Change and Stress in a Turbulent Work Environment	\$89/\$124	2	MOST0322
> Ethics – Regulatory						
1/20	1:00 pm	4:30 pm	Ethical Considerations for the CPA	\$139/\$204	4	ETHC0120
2/26	11:00 am	12:00 pm	Corporate Ethics Cases in Diversity and Inclusion	\$49/\$69	1	CPAX7497
3/1	9:00 am	11:00 am	Ethics: IRS and Global Tax Enforcement for Accountants	\$79/\$114	2	CPAX7510
3/5	9:00 am	12:30 pm	Ethical Considerations for the CPA	\$139/\$204	4	ETHC0305
3/10	1:00 pm	5:00 pm	Ethics: CPAs' Recent Illegal and Discreditable Acts	\$139/\$204	4	CPAX7588
3/19	9:00 am	1:00 pm	Cases in Corporate Ethics: Discuss Real Life Conflicts	\$139/\$204	4	CPAX7652

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Date	Begins	Ends	Title	Member/ Nonmember	CPE Hours	Express Code
> Finance						
1/27	11:30 am	1:30 pm	Cash Conversion Cycle: Tools and Techniques	\$79/\$114	2	CPAX7233
3/9	9:00 am	10:00 am	Recession Preparedness for Businesses	\$39/\$59	1	CPAX7574
> Governmental Accounting and Auditing						
1/27	9:30 am	11:30 am	Single Audit Primer	\$79/\$114	2	CPAX7230
2/2	1:30 pm	3:30 pm	5 Elements of a Finding	\$79/\$114	2	CPAX7284
2/25	2:30 pm	4:30 pm	The GAO's Green Book: Internal Controls	\$79/\$114	2	CPAX7491
3/4	3:00 pm	5:00 pm	Yellow Book Standards for CPAs in Public Practice	\$79/\$114	2	CPAX7549
3/8	9:00 am	5:00 pm	Governmental Accounting and Auditing Update	\$279/\$339	8	AICPA494
3/29	9:00 am	5:00 pm	Applying the Uniform Guidance in Your Single Audits	\$279/\$339	8	AICPA508
> Information Technology						
1/28	1:00 pm	2:00 pm	Bots, Bots, Bots: Embracing Your Best Friend	\$49/\$69	1	CPAX7248
2/11	12:30 pm	2:30 pm	Guide to Cyber Security Planning	\$79/\$114	2	CPAX7366
3/17	9:00 am	5:00 pm	2020 CPA Technology Trends Update	\$199/\$324	8	CPAX7633
3/26	3:00 pm	5:00 pm	Robotic Process Automation (RPA) for Accountants	\$79/\$114	2	CPAX7714
3/30	11:30 am	1:30 pm	Next Step Blockchain: Regulations & Trends CPAs Need to Know	\$79/\$114	2	CPAX7734
> Personal Development						
2/3	2:00 pm	3:00 pm	A Question of Balance: Exploring Work Life Challenges	\$49/\$69	1	CPAX7296
3/31	10:00 am	12:00 pm	Business Writing: Professional & Effective Emails	\$89/\$124	2	BWPE0331
> Personnel/Human Resources						
3/3	1:00 pm	3:00 pm	The Americans with Disabilities Act and the Family and Medical Leave Act	\$89/\$124	2	ADAF0303
3/19	10:00 am	12:00 pm	Workplace Harassment: How to Prevent Harassment and Reduce Liability Risks in Today's Changing Environment	\$89/\$124	2	WHLR0319
> Specialized Knowledge						
2/22	10:00 am	1:00 pm	How to Build a Virtual Accounting Services Practice	\$139/\$169	3	AICPA626
2/25	9:30 am	10:30 am	Keeping Retirement SECURE: New Act, New Opportunities	\$50/\$70	1	CPAX7484
> Taxes						
1/20	1:00 pm	4:30 pm	Section 461(l): Loss Limitations After TCJA	\$139/\$204	4	S4610120
1/21	9:00 am	5:00 pm	Advanced Individual Income Tax Return Issues	\$259/\$384	8	STRI0121
1/22	1:00 pm	3:00 pm	Getting Ready for Busy Season: Review Individual Tax Form Changes	\$89/\$124	2	ITFC0122
1/25	10:30 am	12:30 pm	Interested Person Sunshine: 990 Schedule L, Parts II-IV	\$79/\$114	2	CPAX7209
1/26	9:00 am	1:00 pm	Taxation of Property Transactions	\$179/\$219	4	AICPA455
1/27	9:00 am	5:00 pm	Annual Tax Update: Individuals and Sole Proprietors	\$279/\$339	8	AICPA458
1/28	5:00 pm	6:00 pm	Form 990 Parts V (Other Tax Issues) & I (Summary Financials)	\$49/\$69	1	CPAX7252
1/28	1:00 pm	4:30 pm	Guide to Payroll Taxes and 1099 Issues	\$139/\$204	4	GPT40128
1/29	1:00 pm	4:30 pm	Real Estate Taxation: Critical Considerations	\$139/\$204	4	RET40129
2/1	1:00 pm	3:00 pm	Nonprofit Taxation: Understanding the New Rules	\$79/\$114	2	CPAX7274
2/2	1:00 pm	3:00 pm	Successfully Completing a Gift Tax Return: Form 709	\$89/\$124	2	F7090202
2/3	12:00 pm	2:00 pm	Reporting Managers & Their Compensation: Form 990 Part VII-A	\$79/\$114	2	CPAX7292
2/3	1:00 pm	3:00 pm	Successfully Completing an Income Tax Return for a Trust or Estate: Form 1041	\$89/\$124	2	FM410203
2/4	9:00 am	12:30 pm	Section 199A: Applications and Challenges	\$139/\$204	4	AIG40204
2/5	9:30 am	11:30 am	Partnership Essentials: Review and Update	\$79/\$114	2	CPAX7314
2/5	11:30 am	1:30 pm	Reporting Fundraising Activities: 990 Part VIII & On	\$79/\$114	2	CPAX7315
2/8	12:00 pm	2:00 pm	Intro to 60% of the 990's Most Common Schedules: A, B & C	\$79/\$114	2	CPAX7329
2/10	1:00 pm	3:00 pm	Successfully Completing an Estate Tax Return: Form 706	\$89/\$124	2	F7060210
2/12	12:00 pm	2:00 pm	Key Tax Issues for Individual Taxpayers	\$79/\$114	2	CPAX7375
2/16	1:30 pm	5:00 pm	IRS Tax Examinations and Hot Issues	\$139/\$204	4	EXI40216
2/18	1:00 pm	3:00 pm	Form 990 Schedule L: Transactions with Interested Persons	\$79/\$114	2	CPAX7423
2/19	12:00 pm	2:00 pm	S Corporation Essentials: Review and Update	\$79/\$114	2	CPAX7434
2/24	12:30 pm	2:30 pm	Disclosing Managers: Compensation on Core Form 990 & Sch. J	\$79/\$114	2	CPAX7475
3/1	2:30 pm	4:30 pm	Reporting Program Service & Governance: 990 Parts III & VI	\$79/\$114	2	CPAX7518
3/5	12:00 pm	2:00 pm	Financial Statements Disclosure: 990 Parts VIII, IX, X & XI	\$79/\$114	2	CPAX7556
3/17	1:00 pm	3:00 pm	Key Tax Issues Facing Business and Industry	\$79/\$114	2	CPAX7640

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To learn more, call Ken Gross from PACE at 1-800-453-4021 and mention that you are a CTCPA member.

Have questions or ideas? We're here to help!

We have developed strong partnerships with each of these carefully selected insurance providers. If you have questions or would like additional information, please reach out to Membership Director Cindy Panioto at cindyp@ctcpas.org or 860-258-0213 and she will help you get in touch with the right people.

If you have any ideas for additional insurance savings we can offer to CTCPA members, please share those with Cindy as well.



Welcome, New Members!

We're pleased to welcome the following individuals to CTCPA membership:

New Certified Members

Adam M. Baltayan
SS&C Technologies, Inc

Mario J. Bucciero
Marcum LLP

Christine E. Byers
EY

Amarilyns del Pino
Euro Systems International, Inc

Lisa Delfini
Marcum LLP

David A. Gerics

Thomas W. Grottke
Crowe LLP

Alexander W. Hill
blumshapiro

Kevin Kaman
Watkinson School

Paul W. Karr
CFO Consulting Partners

Dawn Kerr
Deloitte

Michael Lostritto
Martin, DeCruze & Company LLP

Philip A. Madonna Jr.
Annunziata, Madonna & Co. LLC

Thomas J. Moore
Marcum LLP

Mattia Perrotta
Chilton Investment Company

Margaret H. Schubach
Allied World Assurance Company

Swati Singh
AO & Company, LLC

Jack P. Wigglesworth
Deloitte

New Associate Members

Michael W. Binck
Masotti & Masotti

Alicia Celone
blumshapiro

Carla Coates
RSM US LLP

Jonathan T. Comer
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Member Snapshots

We're looking for **your** snapshots!

Does your organization volunteer in the community, enjoy fun tax season treats, or run races for charity? Show us what you're up to! Submit your photos to **Kirsten Piechota** at kirstenp@ctcpas.org.

Palmer Latko Ledas Page Holds Annual Toy Drive for CCMC



Palmer Latko Ledas Page LLC held its annual toy drive to benefit the Connecticut Children's Medical Center this fall, resulting in the firm's biggest collection year yet.

Pictured are Senior Partners Richard Farina and David Ledas, Executive Assistant Sandy Prahm, and Senior Partners Jason Latko, Margaret Mayer, and Gary Palmer.

Members Share Importance of Diversity, Equity, and Inclusion

As part of the CTCPA Diversity, Equity, and Inclusion Group's celebration of Hispanic Heritage Month this fall, several members shared what their heritage means to them and how diversity, equity, and inclusion is important in their personal and professional lives. Below are some of their thoughts. Read the full Q&A interviews and learn more about the CTCPA Diversity, Equity, and Inclusion initiative – including news and resources – at www.ctcpas.org/diversity.

“Diversity is important; however, inclusion is key to achieving successful organizations. Everyone should be able to be their authentic selves and feel comfortable to share their perspectives and ideas.

Accounting professionals who feel included, accepted, and respected outperform those who don't.

Cynthia Calderón



Cynthia R. Calderón
CohnReznick

“Clients and employees want to feel included and understood. A diversified team brings new ideas and experiences that promote creativity and better problem-solving solutions.

Having an understanding of the cultural issues that affect your clients will allow you to be a better professional and advisor to your client.”

CAROLYN SIERRA



Carolyn Sierra
RSM US LLP

Diversity in the accounting profession provides tools for organizational resilience, especially in our current environment.

Having a team culture that enriches its wealth of knowledge by promoting a diverse group that shares different perspectives will help you respond effectively to challenging situations.

GIANCARLO DAVILA-CRUZ



Giancarlo Davila-Cruz
CohnReznick



Member News

Send your news to **Caitlin Bailey O'Neill** at caitlinb@ctcpas.org.



Tim Hedley

Tim Hedley, a Fordham University professor and retired KPMG partner who's currently serving as the CTCPA treasurer, was recently named to the Integrate Working Group (IWG), a joint taskforce from INTEGRATE 2033, LLC and SOCAP Global. The IWG strives to help CFOs transform the role of finance within their organizations, and integrates the C-Suite through the lens of environmental, social, and governance investment, innovation, and reporting.



Mark Zampino

Honorary Member **Mark Zampino** received the "Sustained Excellence in Teaching Award for Part-Time Faculty" from the University of Hartford. He also accepted the brand-new position of MBA Recruiter at Southern Connecticut State University.



Tracy McKaveney

Tracy McKaveney, a Senior Manager at MahoneySabol in Glastonbury, was elected chair of the Finance Committee of the Hospital for Special Care (HFSC) in New Britain. She currently serves on the Board of Directors and on the External Audit Committee. As chair of the Finance Committee, Tracy will oversee those responsible for monitoring the financial health of the organization alongside management. In addition, she will chair the investment subcommittee, which oversees the entire investment portfolio of the organization.



Niko Yanouzas

Whittlesey partner **Niko Yanouzas** was featured in the *Journal of Accountancy* article "What CPAs have learned during COVID-19."



Brian Faynor

Company Moves and Promotions

Brian Desmond Faynor has joined Burzenski & Company, PC as a senior accountant. He brings experience in public accounting including tax, audit, accounting, and business valuation.



Paul Soler

Paul J. Soler was named a partner at Teplitzky & Company in Woodbridge. Paul leads the firm's assurance services group, which includes audits, reviews, and compilations of for-profit and non-profit entities, as well as audits of employee benefit plans. Paul specifically focuses on clients in the healthcare, manufacturing, construction, and real estate industries. He currently serves on the board of and is the treasurer for the Noah Webster House, Inc.

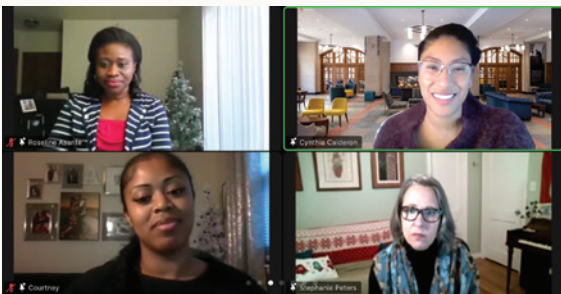


Kevin Gokey

Kevin M. Gokey was named the chief financial officer for Siemon, a leading global network infrastructure specialist. Kevin brings 18 years of extensive, wide-ranging public accounting experience to the role.

Andrew Caponegro joined Palmer Latko Ledas Page LLC as a senior accountant. He brings to the firm experience in public accounting, specializing in corporate and partnership tax returns with a focus on manufacturing and private equity. **Melissa Harper** also joined the firm as a manager. She brings extensive accounting expertise in the areas of closely held businesses, high net-worth individuals, and a wide range of industries.

Calderón Participates in Minority Student Panel Discussion



Cynthia Calderón, a tax senior at CohnReznick in Hartford, was one of three featured panelists in the CPA/SEA's "Panel Discussion on Understanding Barriers for Minority Students in Accounting."

Cynthia, who serves as the co-chair of the CTCPA's Diversity, Equity, and Inclusion Initiative, shared her story with CPA society executives to open their eyes to the struggles and challenges facing minority accounting students in their quest toward becoming CPAs.

For example, while CPA Exam questions are difficult enough already, Cynthia has found particular challenges in the fact that English is not her first language. She needs to spend time translating the questions before she can begin processing and working through them. When she first started sitting for Exam sections, she found herself running out of time. "Failing is part of the process," Cynthia said; she shares her struggles with the CPA Exam in order to encourage others not to give up.

Interested in hearing Cynthia's story and thoughts from the panelists on scholarships, recruitment, company culture, and more? Watch the full video at www.ctcpas.org/AICPAPanel.

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CPA firm would like to buy all or part of your accounting, tax, or investment practice. Call Mark J. Mazzone of D'Agostino & Mazzone at 860-257-4005, ext. 302.

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Practices for Sale (Accounting Practice Sales) – Northern Hartford County CPA practice grossing \$400K; Eastern Fairfield County CPA practice grossing \$90K; Stamford partnership opportunity \$350K gross. For more info on this opportunities or to sell your practice, contact Lori Newcomer, CPA and Tim Price, CPA at 888-553-1040 or PNgroup@APS.net, or visit www.APS.net.

Help Wanted

Cost Accountant Analyst – H&T Waterbury, Inc. H&T Battery Components Waterbury, member of the family owned Heitkamp & Thumann Group, Germany, and partner of choice for the leading global battery manufacturer is in search of a skilled Cost Accounting Analyst. This position updates and maintains all aspects of the company's cost accounting system and processes, assists in formulating and tracking performance to budgets and forecasts, and more! Responsibilities include full absorption cost accounting, month & year-end financial closing, budget forecasting, inventory control, ERP initiatives, analysis & reporting. To be considered candidates must have cost accounting experience preferably in a manufacturing environment. We're seeking effective communicators, flexible multitaskers able to work autonomously in a fast paced, deadline oriented, international environment who possess excellent organizational skills. For more information please visit www.ht-group.com/en/career.html. H&T Battery Components is an Equal Opportunity Employer. Please submit resume / CV via email to: htw-careers@ht-group.com.

Senior Accountant – Venman & Co. LLC. Venman & Co. LLC is a mid-sized public accounting firm in Shelton and have been offering quality service to our diverse client base for over 80 years. We desire individuals with 3+ years of tax preparation experience of federal and multi-state Partnerships, S-Corps and Individual Income Tax Returns. Candidate will have the ability to assume supervisory responsibilities on tax engagements, identify and resolve technical issues and ensure engagements are completed on time and within budget. Benefits include education reimbursement. Reply to recruiting@venmanllc.com, fax: 203-929-9095, mail: Venman & Co. LLC, 375 Bridgeport Avenue, Shelton, CT 06484, Attn: Janet Barillari.

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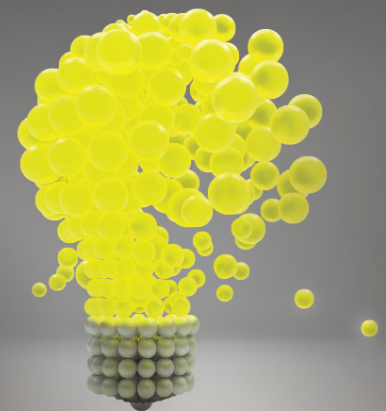
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Source: The *Financial Times* “401 Top Retirement Advisers” list is an independent listing produced annually by the *Financial Times*, October 22, 2020. The FT 401 is based on data gathered from advisers, regulatory disclosures, and the FT’s research. The listing reflects each adviser’s status in six primary areas: DC plan assets under management, DC plan growth rate, specialization in DC plans, years of experience, advanced industry credentials, and compliance record. This honor is not indicative of the adviser’s future performance. Rankings and recognition from the *Financial Times* are no guarantee of future investment success and do not ensure that a current or prospective client will experience a higher level of performance results, and such rankings should not be construed as an endorsement of the adviser. Neither the advisers nor their parent firms pay a fee to the *Financial Times* in exchange for inclusion in the FT 401. All rights reserved.

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