

2011 Management Conference

2011 President-elect tour

Meet Nikki Nelson



The 2011 Chapter Tour is an opportunity to meet and visit with the CPA Society president-elect Nikki Nelson. You'll hear an update

on the national and local CPA profession. There will even be a "listening leader" prize in each location.

2011 Chapter Tour:

Fargo, Friday, May 6, Noon, Kelly Inn, Main & I-29

Grand Forks, Tuesday, May 17, Noon, Culvers, 3451 32nd Ave.

Bismarck, Wednesday, May 18, Noon, A & B Pizza South; 311 S. 7th St.

Dickinson, Wednesday, May 18, 4:30 pm, Elks Club, 501 Elks Dr.

Williston, Thursday, May 19, 8:00 am, Dakota Farms, 1906 2nd Ave W

Minot, Thursday, May 19, Noon, Vegas Hotel, 2315 N Broadway

CPA
NORTH
DAKOTA

MANAGEMENT CONFERENCE
MAY 23-24, 2011
Fargo Holiday Inn

revitalize

north dakota society of certified public accountants

Revitalize

The Management Conference will be held on May 23-24 at the Fargo Holiday Inn. This annual event has become the Society's largest conference with attendance nearing 300 for the past several years. Developed for CPAs who work in business and industry, our sessions include information on general and financial management, technology, human resources, and personal development.

With topics like these, CPAs in education, government and public accounting have also become faithful participants. This year the Society Foundation will be holding an auction at the event to raise money for new CPA scholarships. For details or to register, visit www.ndscca.org/mgmt.

In This Issue:

- | | | |
|-----------------------|-------------------------|-----------------|
| 2. Presidents Message | 6. Tax Article | 14. Investments |
| 3. Foundation Awards | 7. CPE Insert | 15. IRS News |
| 4. New Members | 12. Young Professionals | |

President's Message

... *Michael Schmitz, CPA*

As we exit the tax filing season, we have a lot to look forward to as a profession and a society. There have been many North Dakota tax law changes, and the Congress is working through some tough issues to right the US budget ship. This means we will have a lot to learn again this summer and fall.



In March, I attended the Regional AICPA Council meeting in Chicago with John Mongeon and Faye Miller, your other council members. During that meeting, we were pleased to hear that Faye Miller, currently an at-large member of the Council has been nominated to become a member of the Board of Directors of the AICPA. This is a very much deserved honor for Faye, and we believe she may be the first North Dakotan to have a board position for at least 25 years, if ever. Congratulations Faye!

Also during this meeting, the AICPA announced a Joint Venture with the London-based Chartered Institute of Management Accountants to develop a new global designation for management accountants. This is very exciting as it will ensure that the AICPA will be able to strengthen its offerings to those who do not work in public practice.

The AICPA continues to work with the Internal Revenue Service on the Taxpayer Registration issue. The issues we are seeking clarity on are: (1) the title of the designation, (2) the disclosure that this authorized individual will be required to make, (3) limiting the registration exam to small 1040 returns, and (4) disclosure of all who hold a PTIN.

Discussion is ongoing with regard to the Blue Ribbon Panels report. Time will tell but there is hope that we will have a separate GAAP for companies that are not publicly traded. The Financial Accounting Foundation is not ready to establish a separate board yet, as was the recommendation of the Blue Ribbon Panel.

This news is just the beginning of changes in our profession. I encourage you to read and stay current so you can remain involved and engaged professionally.

Until the next newsletter, have a great spring and early summer.

Nominations invited

A 2011 Nominations Committee will meet later in the year, to select nominees for various positions. If you have an interest or a nomination, simply contact Jim Abbott 877-637-2727 or the Nominations Chair, Mike Schmitz, c/o mail@ndscpa.org by May 20. The time involvement for these roles varies, and in a couple of cases involves some national participation. Feel free to contact Jim Abbott to discuss the time commitments involved. The Committee will choose nominees for the following positions:

- Society Secretary, 2-year term
- Society Director, three 3-year terms
- Society President-elect, 1-year role
- Foundation trustee, 3-year term
- Board of Accountancy member, 5-year term (starts July 2012)

Achieve - CPA goals

Enroll in Becker Professional Education's FastPass® Class in Fargo!

Prepare for the CPA Exam in a matter of weeks instead of months with Becker's FastPass! This accelerated class contains the same content as our standard CPA Exam Review program but equips you for the exam in a fraction of the time. Get ready to jump start your accounting career!

Enroll in Becker's FastPass course and take advantage of 0% Financing.* Visit becker.com/financing for details. Classes start June 6, 2011.

License renewal

The annual Registration/CPE Report forms have been sent. All CPA certificates and LPA licenses are to be renewed each year, even if not practicing public accounting. Register by July 31 to avoid a \$50 late fee.

Brent Hovdestad Endowment Fund



This is the first year for this scholarship. It is presented to a sophomore or upper class student majoring in accounting at UND,

with certain criteria considered. Brent graduated from UND. He had a career in public accounting, then pursued his interest in investment services and financial consulting. At the time of his death, he was an independent consultant working as the controller of a large project for RBC-Dain Rauscher.

Foundation scholarships

Each year, scholarships are awarded through the CPA Society Foundation to students of eight North Dakota and Moorhead colleges. Several of the awards are presented under the names of specific donors who directly fund the award.

Named awards:

Drees, Risky & Vallager, Ltd. (2 scholarships)

Voller, Lee, Suess & Associates CPAs PC

EideBailly LLP (2 scholarships)

Rod Medalen & Steve Britsch

Harris & Arlyce Widmer, Widmer Roel PC

Robert Spolum, CPA

AmerInst Insurance Group – (Community Relations grant - 2 awards)

In addition, the Foundation awards scholarships under the name of R.D.

Koppenhaver, plus endowed awards under the names of Baldwin and Shirley

Martz, Eldon Reinke, United States Seamless Inc. and Brent Hovdestad.

The selection criteria for most of the scholarships is that of being enrolled at a state or border city college, and planning to write the CPA Exam within the following year. Please consider including the Foundation in your giving and estate plans.

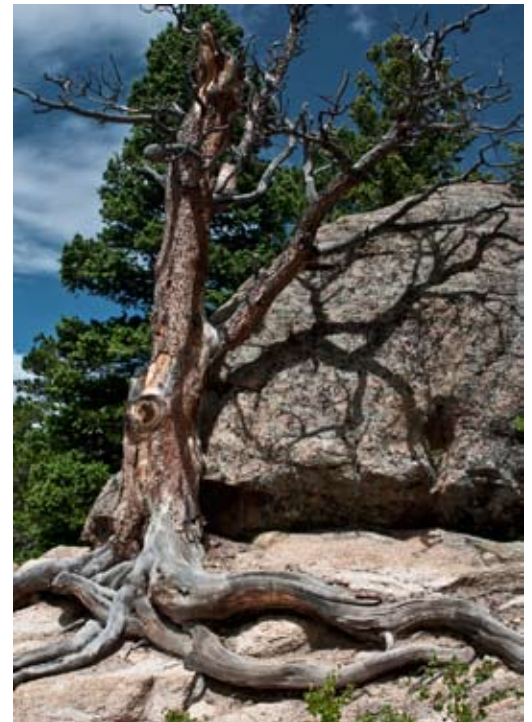
Trustees: Maggie Jorgenson - Dee Ann Ellingson – SuAnn Olson

Teleconference May 26 To protect firm value & service

If your firm is a one-owner operation, but you suddenly couldn't work, or worse, what would happen to the firm's value? How long would the firm's equity survive? What would your estate realize from this asset built over the years? And how would your clients fare? A practice continuation agreement could help protect your firm equity and the goodwill of your clients.

The Society Membership Committee explored this area, and now a forum is planned to help foster an expanded network of protective arrangements. Originally raised in a Board of Accountancy meeting, the effort may help keep firms functioning and serving the public well when a sole practitioner is unable to run the business. The 90 minute teleconference forum is planned for Thursday, May 26, at 11 am. The forum will address some of the risk involved as a sole owner firm and the advance agreement approach. The forum will also provide insight into issues to cover in practice protection efforts (lead by Bill Reeb of Succession Institute), and a briefing on valuing an accounting practice (lead by an Accounting Practice Sales representative). Participants will be asked to indicate potential interest in exploring a protective agreement, so others know they are open to an approach. From there, members would make their own private arrangements, with whatever resources they choose.

There could be a serious problem in your future, too tough to handle on your own. But a pre-arranged agreement with a colleague firm could sustain your firm and preserve its value and its service to your clients. Please consider joining in on this teleconference, to make yourself available for helping others, and to pursue a protective arrangement for your own firm.



... Surviving ... Photo by Rick Abbott.

To register for the teleconference, call 877-637-2727 or email mail@ndscpa.org.

Peer Review information

The Peer Review section of the new AICPA.org has the latest Peer Review Alert and revisions to Checklists. If you're a peer reviewer, you can update your peer reviewer resume or download sections of the Peer Review Program Manual. CPA firms can enroll in the AICPA Peer Review program or find tips on selecting a peer reviewer. Members of the public can search for firms enrolled in the program, read a summary about peer review or learn about the peer review oversight process.

IFRS Certificate

The AICPA has long taken a leadership role in promoting the goal of one set of high-quality globally accepted accounting standards among public companies worldwide and readying U.S. CPAs for use of International Financial Reporting Standards (IFRS). To help CPAs understand and apply IFRS, meet marketplace demands and enjoy enhanced career opportunities, the AICPA has launched the IFRS Certificate Program. Through the program, a Certificate of Educational Achievement will be given for completion of a comprehensive and rigorous curriculum of online self-study courses that offer a board foundation in IFRS. This marker of competence in implementing IFRS enables CPAs to demonstrate their knowledge of IFRS to current and potential employers and clients in the expanding and increasingly open global marketplace. For more information, visit IFRS.com and read this FAQ document.

Reprinted with permission from the AICPA.

International Designation Management Accounting

The American Institute of Certified Public Accountants and the Chartered Institute of Management Accountants, based in London, are proposing a joint venture that would give management accountancy a higher profile in the United States, promote the professional development of management accountants across the world and advance the U.S. Certified Public Accountant as a worldwide standard of professional excellence in accounting.

The proposed joint venture would combine the strength of the AICPA in North America with CIMA's presence in Europe, the Middle East, Africa, Asia and elsewhere. For more information about CIMA, please visit www.cimaglobal.com.

Welcome - new members

Terry Motl, Horace
Rose Nichols, Fargo
Zhehui Yang, Fargo
Kyla Schultz, Grand Forks

Jennifer Halvorson, Park River
Karen Pocha-Melby, Minot
Nicole Dobson, Minot

Award opportunities

Do you know a CPA who's a real model - whether in public service, teaching or professional service? You could nominate that CPA for the Society **Making a Difference** award. This award is available to recognize outstanding contributions in any of these areas, and can be awarded to more than one person in any given year. The recipient must be a CPA and a Society member. In 2009 this award replaced separate awards that were available to recognize public service, society service, and educational performance.

Another award that has been reformulated is the former Roy Janz Award. This is now the **Board of Directors** scholarship, a \$500 award that is available to student members and affiliates. The recipient is to be planning to write the CPA exam and become a CPA. Applicants are to provide a narrative about why they are pursuing the CPA credential, and they are to have completed Intermediate Accounting. Application instructions can be found at ndscpa.org/scholarship.htm. To join the Society as a student member or become an affiliate, see ndscpa.org/studentapp.htm, or call 877.637.2727.

The **Life Member** award recognizes long standing members who are retired and were actively involved in the Society. To nominate a CPA for an award, go to ndscpa.org/awards. Nominations due by May 20.

We Go To Work For You.



Go with the biggest in the industry.

We are North America's leader in marketing accounting and tax practices because we understand the value of your firm, know how to market it and have hundreds of buyers in Pennsylvania who want a practice. Our biggest concern is you. Our wealth of experience culminates to make sure your comfort level is met, your questions are answered and everything is being done to sell your firm.

Give us a call today so that we may **go to work for you** and produce the results you desire.

1-800-397-0249

trent@accountingpracticesales.com
www.AccountingPracticeSales.com



The Holmes Group

one day SSS i'll become a veterinarian



College SAVE Day at the Zoo!

Tell your clients to come visit
the Dakota Zoo on May 27
or Red River Zoo on June 3
for free, courtesy of
College SAVE.

College SAVE: Picture the Future

The tax-advantaged, flexible way for your clients to
invest today in tomorrow's dreams.

Visit collegesave4u.com/CPA
or call 1.866.SAVE.529.

College SAVE™
Picture the Future

If your client is not a North Dakota taxpayer, consider before investing whether their or the designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's qualified tuition program.

For more information about North Dakota's College SAVE Plan, call 1-866-SAVE-529 (1-866-728-3529), or visit www.collegesave4u.com to obtain a Plan Disclosure Statement. Investment objectives, risks, charges, expenses, and other important information are included in the Plan Disclosure Statement; read and consider it carefully before investing. Upromise Investments, Inc., Distributor and Underwriter.

The College SAVE Plan is a 529 Plan established by the State of North Dakota. Bank of North Dakota acts as trustee of the College SAVE Trust and is responsible for administering the Plan. Upromise Investments, Inc. and Upromise Investment Advisors, LLC serve as the Plan Manager and Recordkeeping and Servicing Agent, respectively, with overall responsibility for the day-to-day operations, including marketing and distribution of the Plan. The Vanguard Group, Inc., provides underlying investments for the Plan. The Plan's Portfolios, although they invest in mutual funds, are not mutual funds. Units of the Portfolios are municipal fund securities and the value of units will vary with market conditions. Investment returns are not guaranteed, and you could lose money by investing in the Plan.

Not FDIC Insured. No Bank, State, or Federal Guarantee. May Lose Value.

ND6166B 0311

Payment of Tax

Contractor's responsibility

... Cory Fong, Tax Commissioner



Recently I have had numerous conversations about the responsibility that contractors have to pay sales or use tax on building materials and supplies they purchase for use in a construction project. This is an important topic and I wanted to take a few minutes to discuss those responsibilities.

In North Dakota, contractors and subcontractors are considered the final users of all personal property, building materials and supplies that they consume or incorporate into real property. As final users, contractors are required to pay tax on the cost of the personal property they use, including projects performed for exempt entities. This includes property provided by others, unless the tax has already been paid on that property.

Installation out-of-state: When contractors take possession of materials in North Dakota for installation or other use outside of the state, North Dakota tax is due on the cost of those materials unless the property is exempt from sales and use tax in the state where it is installed. Local (city or county) tax may also apply to materials removed from the state. Some local ordinances allow contractors to remove goods from the local taxing jurisdiction for use elsewhere without paying the local tax if the contractor provides the supplier a Contractor's Certificate at the time of purchase. *The Local Option Taxes by Location* guideline provides more detail and identifies the cities or counties that allow this limited exemption.

Construction materials from out-of-state: Materials brought into North Dakota for use are subject to the North Dakota use tax and the applicable local use taxes. Contractors receive credit for any sales or use tax legally paid in the state of purchase if the state of purchase also provides a similar credit for North Dakota tax.

Construction equipment from out-of-state: Contractors that transfer machinery and equipment, except for licensed motor vehicles, into North Dakota for use are liable for use tax on the fair market value of the equipment at the time it enters into North Dakota. Credit is provided for tax legally paid to another state in the same manner as described above for the construction materials. Motor vehicles licensed in another state may be subject to a temporary motor vehicle registration when brought into North Dakota for use; however, no sales or use tax is due on the vehicles.

If you have any questions about contractor's responsibility for payment of tax, please contact our office at 701.328 1246 or e-mail salestax@nd.gov.

EVERYBODY'S LOOKING TO
WASHINGTON FOR A SOLUTION
TO THE HEALTH CARE CRISIS.
**MAYBE THEY
OUGHT TO
LOOK HERE.**

BOLDER
SHADE OF **BLUE**



BOLD isn't meeting the government's challenge for insurers to spend at least 80 cents of every dollar on patient care. It's beating it by spending 91 cents* — good reason for lawmakers to have a look at the great things happening here in North Dakota.

See where your money goes at BCBSND.com/bold

Photo by Katie Pinke • Wishek, ND



**BlueCross BlueShield
of North Dakota**

An independent licensee of the Blue Cross & Blue Shield Association

Noridian Mutual Insurance Company

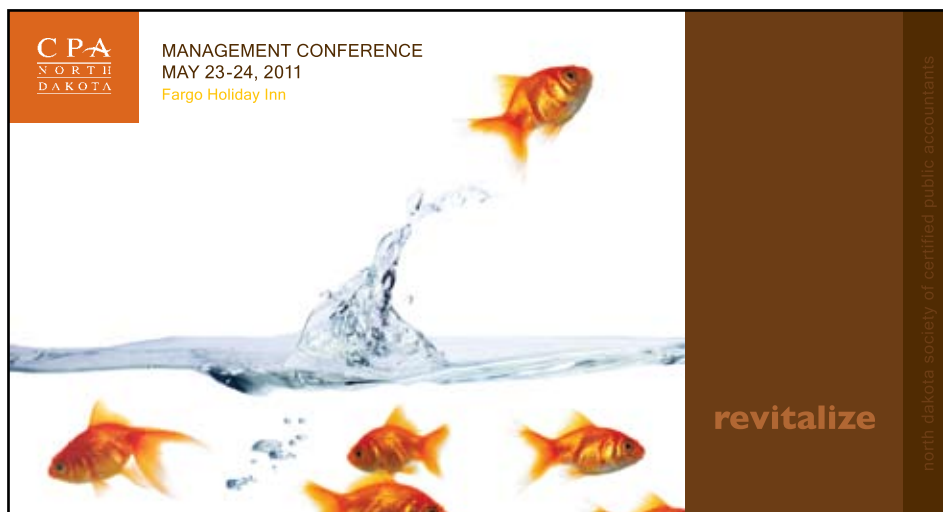
*Per 2010 financials as reported to ND Department of Insurance

2011 Management Conference

May 23-24, Fargo Holiday Inn

For more information or to register visit www.ndscpa.org/mgmt

Revitalize! The Management Conference gives CPAs and other financial professionals who work in business and industry a chance to step away from their daily activities and see what's on the horizon. Our sessions focus on many key areas affecting you today such as management and financial issues, technology, human resources and personal development. The conference is developed by our CPAs in business and industry but you will find that the sessions are of interest to the business community in general. Anyone interested is welcome to attend.



Fees:

Add \$50 if postmarked after May 9

- \$325 Society Member
- \$355 Nonmember
- \$300 One day Society member
- \$330 One day nonmember
- \$20 Beer Tasting

For groups of 10 or more, please contact the Society office for pricing details.

Hotel information:

Holiday Inn
3803 13th Avenue South
Fargo ND 58103
(701) 282-2700
Reservations: 877-282-2700

Room Reservations: Please make your room reservations by April 24, to ensure availability. Mention the conference for a discounted rate of \$92/standard room.

Fees include: handouts, continental breakfasts, lunches and afternoon refreshments

Monday, May 23

- | | |
|---------------|--|
| 8:15 -10:00 | A. U.S. Economic & Financial Outlook |
| 10:20 - 12:00 | B1. Tech Savvy CPA - Top Technologies CPAs Should be Using Today
B2. Meeting Mania! Tips for Effective Meeting Management
B3. Pricing for Profitability: Why Cost Still Matters
B4. Road Rage in the Office: Make Conflict Work for You |
| 1:00 - 2:45 | C1. Financial Reporting Checklist - 15 Measures to Superior Reporting
C2. The Mortgage Crisis: Character Crisis?
C3. The Coming IFRS Conversion: The Ultimate GAAP Makeover
C4. Rev-up Your Relationships |
| 1:00 - 4:35 | C5. Automating Small Business Disaster Recovery |
| 3:05 - 4:35 | D1. Excel Advanced - Push Your Knowledge to the Next Level
D2. Limiting Fraud in the Workplace
D3. Take Your Writing to the Next Level: MS Word
D4. Jumping in the Drivers Seat: Creating Leaders at All Levels |

Tuesday, May 24

- | | |
|---------------|---|
| 8:00 - 9:40 | E1. How to Create a Lean Clean Computing Machine
E2. Managing the Performance Appraisal Process
E3. The Finance and Accounting Organization as Strategist and Partner
E4. Communicate with Impact |
| 10:00 - 11:45 | F1. Using Technology to Streamline Your Life
F2. Would You Like Fries with That? The Customer Service Advantage
F3. Making the Shift From Technical Expert to Financial Leader
F4. Ethics in Action
F5. Accounting update for Business and Industry |
| 12:45 - 2:25 | G1. Social Networking - Essentials for Business
G2. Three Critical HR Issues Facing Today's Manager
G3. Identifying, Developing, and Hanging on to Talent
G4. Time Management - Self Leadership |
| 2:45 - 4:20 | H. Living Life at Performance Level |

CPE Variety Pack

June 27-28 Bismarck Ramkota

Price Per 4-hour Session: \$135 Member \$165 Nonmember Add \$15 per session after 6/13/11

Instructor: Mark Dauberman

Instructor: Robert Gilwee

June 27 (8:00 am - 11:30 am)

Accounting and Auditing Update (CL4UAA)

Keep abreast of the fast-paced changes in accounting and auditing. This course covers the most relevant pronouncements, exposure drafts and consensus reports recently issued in the accounting, auditing, compilation and review arenas. This training will help you identify and apply recently issued FASB statements, interpretations and technical bulletins. Learn how to assess the effect of current auditing standards and standards on accounting and review services from coverage of the latest issues at the AICPA, EITF and FASB.

Level: Update

Innovative Tax Tips for Individuals (CL4TPOI)

Get the latest techniques for building and conserving wealth through proactive tax planning and investment strategies. Completely updated for tax law changes, this course will bring you up to date on ways to save taxes with strategies for retirement savers, investors, homeowners and real estate investors, college savers, small business owners and just about anyone who pays taxes.

Level: Intermediate

June 27 (12:30 pm - 4:00 pm)

Accounting for Deferred Income Taxes (CL4AIT)

Traditionally, understanding the complex provisions of ASC 740 (SFAS no. 109) typically fell on the shoulders of accountants in business & industry and their independent auditors. Now it is essential that tax professionals, both in industry and public practice, become active participants in this process. Gain a sound knowledge of the theory of deferred taxes and how this theory can be applied to practical situations. Many practical examples are included to illustrate the theory, and information is presented so you can apply this theory to any situation.

Level: Intermediate

Estate Planning Strategies: Minimizing Taxes and Maximizing Wealth (CL4EPE)

What is the estate tax? What is the gift tax? How are they inter-related? Explore the use of wills, trusts and life insurance as vehicles to reduce the estate tax. Whether your client is accumulating wealth or planning for its distribution upon death, advise them on the most tax-efficient way to structure their affairs to minimize taxation on the transfer of their wealth to intended beneficiaries.

Level: Basic

June 28 (8:00 am - 11:30 am)

Compilation, Review, and Accounting Service Update (CL4COMP)

If you supervise compilation, review and accounting service engagements, this course will help you comply with the professional standards applicable to this year's engagements. Review the current year's AICPA's Compilation and Review Alert and developments in independence, engagement and representation letters, field work, disclosure, reporting, documentation, changes in services or in accountants, and specialty engagements.

Level: Update

The CPA's Role in Buying or Selling a Business (CL4BASB)

Become the key advisor to your client or employer who's buying or selling a business. Your advice will impact your client for years to come! Lead the team of advisors with a keen overview of the transaction in addition to specific tax and accounting technical advice. Buying and selling a business involves more than calculating a transaction gain or loss - it must be valued, due diligence must be conducted and various stakeholders will be impacted.

Level: Intermediate

June 28 (12:30 pm - 4:00 pm)

Write-up, Payroll and Other Accounting Services: Managing the Risks (CL4BPOA)

Most sole practitioners and local CPA firms routinely provide write-up, payroll and other accounting services to their clients. Since these engagements involve no technical standards or issued opinions, most CPAs view them as risk-free. They are not. These services can generate a surprising number of significant malpractice claims: one case resulted in a judgment of one million dollars! This course identifies the risks (and proven risk-mitigating practices) throughout the entire life-cycle of an accounting services engagement, from client acceptance to engagement performance to withdrawal.

Level: Intermediate

Solving the Choice of Entity Riddle: Key Tax and Business Implications (CL4CEKI)

Choice of entity issues are relevant throughout the life of a business. When starting a new business, a crucial first decision is choosing the correct form of entity to accomplish the company's goals. This course targets the ever-increasing tax advantages and disadvantages of general and limited partnerships, C and S Corporations, LLCs and LLPs, as well as individual proprietorships. Hone in on key issues surrounding the factors that drive the optimal form of organization for a business. Explore plenty of case studies from real-life client situations.

Level: Intermediate

May 19

Preparing Form 5500 (FM55)

Fargo Holiday Inn

8 CPE Hours

\$250 Member (\$300 Nonmember)

Add \$25 after 5/5/2011

Instructor: Mark Clark

After the initial year of required electronic Form 5500 filing, this course offers a practical review of the new procedures, their impact and their enforcement. Find out what has changed and what hasn't with revised schedules, updated schedules and new forms. Step-by-step instructions help make preparing or reviewing Form 5500 more efficient and accurate. You'll also review how to amend or file a delinquent Form 5500 using the new electronic system. Quickly come up to speed on the latest filing requirements and ensure DOL and IRS compliance.

Highlights:

- 2009 Required Electronic Filing (EFAST2) rules
- Forms 5500 and 5500-EZ
- Nuances and schedules associated with Form 5500
- Reporting & disclosing compliance issues
- Reporting delinquent contributions
- Failure to file

Designed For: CPAs, attorneys, EAs and other professionals who prepare Form 5500 or who want to add the preparation of Form 5500 to their practice

Level: Intermediate

Developer: CalCPA Education Foundation

June 29

Advanced Excel (AEXCEL)

Bismarck Ramkota

8 CPE Hours

\$250 Member (\$300 Nonmember)

Add \$25 after 6/15/2011

Instructor: Brian Tankersley

Although many accountants consider themselves experts in using Excel, most are self-taught and do not use Excel to its full potential. This course is designed to take experienced, users to the next level. It provides real world examples developed by accountants for accountants in the following six major topic areas: collaboration and workbook security; using tables to analyze and report data; integrating and manipulating data from external sources; creating and auditing complex formulas; advanced data analysis with subtotals, filters, and PivotTables; and using charts to analyze and communicate information. Its content is based on twenty years of experience in delivering Excel training to accountants and on feedback from thousands of accounting and financial professionals just like you. Participants will have access to sample data files. This course includes coverage of features found in Excel 2003, 2007, and 2010.

Level: Advanced

Designed For: Accountants who work with Excel and who want to learn all of the best features and functions

Developer: K2 Enterprises

Note: Instructional delivery method: Group-live demo and discussion using color computer projection - NOT hands-on

June 30

QuickBooks for Accountants (QBP)

Bismarck Ramkota

8 CPE Hours

\$250 Member (\$300 Nonmember)

Add \$25 after 6/16/2011

Instructor: Brian Tankersley

This course is designed to help you get more out of QuickBooks and to resolve the issues with which even experienced QuickBooks users often struggle. The course starts out fast with a chapter covering the top issues accountants face with QuickBooks. The day continues with practical guidance and solutions designed to help accountants get the most out of QuickBooks for themselves and/or their clients. Issues such as setting up a new company, configuring and customizing QuickBooks preferences, and enabling system security features are also addressed in this course. In addition, you will learn about locking down transactions in prior periods, the audit trail, customizing reports, exporting reports to Excel, and data backup. Despite the product's user-friendly design, the most common QuickBooks problems involve recording transactions incorrectly. To prevent these and other problems, adequate training is necessary.

Level: Intermediate

Designed For: Accountants who use or support clients who use QuickBooks

Developer: K2 Enterprises

Note: Instructional delivery method: Group-live demo and discussion using color computer projection - NOT a hands-on course

August 22 & 24

Farm Taxation: Planning Opportunities and Pitfalls (FTR)

8/22/11 Grand Forks Ramada Inn

8/24/11 Bismarck Radisson Inn

8 CPE Hours

\$250 Member (\$300 Nonmember)

Add \$25 after 8/8/2011

Instructor: Andy Biebl

The tax landscape continues to shift in 2011 for farmers and ranchers. This session will help practitioners recognize unique opportunities and pitfalls impacting taxpayers in the agriculture industry. It will give tax professionals a forum to discuss current issues affecting their farm and ranch clients.

Course Highlights:

- The most up-to-date developments in farm tax
- Implications of the Patient Protection and Affordable Care Act (health care legislation) on ag operators
- New regulations on repairs and capital improvements
- Section 199 production deduction, including amended return opportunities and unique rules impacting agribus
- **Not covered:** Farm Service Agency (FSA) rules and the U.S. Department of Agriculture (USDA) program limits

Who should attend: Tax practitioners representing farmers and ranchers, who need to be aware of new federal tax legislation, IRS guidance, and recent court decisions.

Level: Update

Developer: LarsonAllen LLP



Want the best deal?

Register for any CPE course (excluding the Management Conference, Tax Practitioner Institute and Webcasts) by June 1st and save \$20 on 8 hour classes and conferences, and \$10 on 4 hour sessions.

Cancellations: In the event you are unable to attend a CPE class, let us know at least 14 days in advance and you can switch to another 2011 program or we will refund your money. Any cancellations received after the 14 day notice period will require a \$25 administrative fee. You can also transfer your registration to another participant. Additional fees will be required if a member transfers to a nonmember.

New Online Registration:

You may have noticed that over the winter the Society posted a new website. Along with the website came some much needed improvements to our online CPE registration system. Now, your credit card will be processed immediately AND you will get a confirmation for your registration just moments after it is processed! In order to achieve all of this you will need to log-in to the website when you register for a course. Here are some simple instructions.

To Login:

1. Go to the login section located just below the dark blue "quick-links" box on the left-hand side of the page.
2. Enter the email address that you given to the Society. (hint: if you use an email address that we don't have on file, the system won't recognize you as a member)
3. Enter your password. (hint: the default password we used is the last 5 digits of your social security number. You can change this at any time. Plus, if you forget your password, just click on the "forgot password" note and it will allow you to change it quickly)

If you have any problems, give us a call at 877-637-2727 and we will help you out.

CPE Seminar Registration

Please only one name per form

Fill out your contact information

Name _____

Company _____

Address _____

City/State/Zip _____

Telephone _____

Email _____

List the events you would like to attend

WEBCAST registrations need to be completed online
at www.ndscpa.org/webprograms.htm

Title or Acronym	Date	Price
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Please check all that apply

- NDSCPA Member AICPA Member
- CPE Learners Permit Other Society (list)
- Special Needs? Please attach a description

To Register

 Mail to NDSCPA 2701 S Columbia Rd Grand Forks ND 58201	 Register on line at ndscpa.org/cpe	 Call (877) 637-2727 Local 775-7111
--	--	---

Select Payment Method:

- Check (Payable to NDSCPA) Visa MasterCard

Acct # _____ Exp _____ CVV# _____

Signature of Cardholder _____



“Wow! I passed all 4 parts the first time. I could not have done it without Becker. The materials are great and the national instructors are amazing. Thanks so much to everyone at Becker for helping me pass.”

- CPA CANDIDATE AND
BECKER ALUM

PREPARED FOR *stepping up on exam day*

You've got this test covered. Becker Professional Education has helped accounting professionals pass the CPA exam with confidence for more than 50 years. With Becker you can:

- Pass at double the rate of non-Becker candidates*
- Join over 400,000 successful candidates who prepared with Becker
- Tailor our program to the demands of your busy life with live, online and self-study formats

Log on to becker.com/cpa and prepare to succeed.

North Dakota Society of CPAs members receive \$300 off the full course tuition.**

* Becker Professional Education students pass at twice the rate of all CPA exam candidates who did not take a review course from Becker, based on averages of AICPA-published pass rates.

** This discount valid only on full 4-part course tuition price and cannot be combined with any other discount or offer.

©2009 DeVry/Becker Educational Development Corporation. All rights reserved.



BECKERTM
PROFESSIONAL EDUCATION

Young Professional Profile

Katie Knodel, CPA



I grew up in Devils Lake, ND, and my first job ever was the quintessential high school job - serving fast food at

McDonalds. I enjoy golfing, biking, cross country skiing, or just relaxing at home with a book or movie. In high school, I thought accounting would be a good career so once I hit college I started filling up on accounting classes. It just kind of clicked. I started out at Lake Region State, got my Bachelor's in business at Mayville State, and finished up with an MBA through the University of North Dakota. I am currently an accountant at Britsch & Associates, PC in Devils Lake.

What did you do to celebrate passing the exam? I enjoyed getting reacquainted with friends and family. I officially got the certificate in January, so I am saving the rest of the celebration until after tax season!

Dream vacation: Would love to take a vacation to Northern Europe with my fiancé, Aaron, in late summer or early fall.

Something most people don't know about you: I love old B horror movies, especially starring Vincent Price.

The nicest thing someone has said to you this week: You're awesome! (Sarcasm or not, I took it as a compliment!)

Forget the immediate, focus on what's important Establishing priorities/enforcing boundaries

We often lament the fact that there are "not enough hours in the day," as if having a few extra hours would enable us to finish everything on our plates and carve out some time for non-work activities that make us feel happy and fulfilled. The reality, however, is that if we had those extra few hours a day, most of us would simply fill it up with additional things to do, rather than use it to relax and recharge. What we really need is not more time, but a better and more holistic approach to managing the time we have; one that involves better prioritization and the establishment of boundaries to be sure we stay on track.

Setting Priorities

Effective time management starts with prioritization. One way to prioritize is to distinguish between important work and the "urgent" busy work that eats up most of the average workday. Important work consists of tasks that move you and the organization closer to key long-term strategic goals. Busy work, on the other hand, consists of short-term, often one-off activities with a misleading sense of urgency. We often equate busy

work with "putting out fires." It includes things like urgent emails and last-minute requests that elicit reactive rather than proactive responses, and fail to do anything to get us closer to our business and personal objectives. The problem is that we are drawn to busy work because it is usually short in duration and involves an immediacy that makes us feel productive and important, even though our time would be better spent working on other more impactful projects and initiatives with a longer shelf-life.

In order to focus on what is truly important, make a list of everything you have to do over the next week - including recreation and personal activities. Then select the 5 most important things from that list each day and commit to completing them. Make sure your short list includes a few items just for you.

If your workplace inspires the kind of frantic "fire-fighting" that distracts from the strategically impactful, you will need to implement and enforce a strong set of boundaries to help you stay the course.

(Continued on next page)

YPG CPE
with Benefits
EVENT

\$35 includes 6 hours of CPE and lunch followed by a BBQ dinner with lawn social and games!

Register on-line at www.NDSCPA.org/ypevent or call 1-877-637-2727 by May 2, 2011.

WHO
All NDSCPA members 40 & under

WHAT
The 2nd Annual YPG CPE & Networking Event

WHERE
 Fargo Office of Eide Bailly
 4310 17th Avenue South, Fargo

WHEN
 Monday, May 16, 2011
 • 10:30 am Registration
 • 11:00 am - 5:00 pm Program
 • 5:00 pm BBQ & Lawn Social

WHY
 Relevant CPE and getting to know others while having FUN!

CPA NORTH DAKOTA | Young Professionals Group NDSCPA

(Continued from page 12 - priorities)

Enforcing Boundaries

Boundaries involve setting limits so that we keep important time commitments, including those we make with ourselves. They keep us from allowing other people's crises and poor planning from negatively impacting our game-plan. Learn to say 'no', or give realistic timelines when 'no' is not an option. Build in time on your schedule to step away from email and IM, and work on an important task. Give yourself at least an hour. If the internet is too much of a temptation, turnoff your wireless adapter, or unplug your Ethernet cable. You should also schedule at least a half hour once a week to reflect on your progress and plan for the week ahead.

Guard these times and approach them with the same level of commitment that you apply to a meeting with your boss. Put them on your calendar and don't overbook them. If you have an office, close the door so that you are not interrupted. Otherwise, seek out a quiet place that is free of distractions.

Reprinted with permission from the AICPA.

Leadership Academy

The AICPA has released the application for its 2011 Leadership Academy Program, which prepares young CPAs to become the next leaders in their organizations, communities, and the CPA profession. The academy is a three-day workshop of learning and applying core leadership concepts. In 2009, the AICPA launched the Leadership Academy Program, providing intensive workshop training to 28 high-potential CPAs under the age of 35. This academy will offer leadership opportunities for a new group of promising CPA leaders. It will be held in Durham, N.C., October 4-6.

The AICPA will select two dozen candidates who represent a diverse cross-section of the profession. The application deadline is **June 1, 2011**. For info and access to the online application, visit www.aicpa.org/leadershipacademy.

Classified ads

Williston - Senior Staff Accountant

Position offers a unique opportunity to join our well respected and growing firm. Applicants should have previous knowledge of auditing/accounting along with tax and consulting services for individuals, partnerships, LLC's and corporations. Must possess a BA in accounting, with good written and oral communication skills. CPAs with previous experience given priority.

Experience with QuickBooks/Microsoft Office a plus. Brady Martz offers a full range of benefits and an environment to maximize your personal/professional growth opportunities. Salary is dependent on qualifications.

Please forward cover letter/resume to: Kristi Corbett, **Brady, Martz & Associates, P.C.**, 401 DeMers Ave, Ste 300, GF, ND 58201-kristi.corbett@bradymartz.com

Help Wanted

Successful progressive **Credit Union** seeks experienced qualified management team partner to provide leadership in a VP/CFO capacity. Must have demonstrated skills in all areas of management and particularly accounting. Description available from Job Service ND or MBC. Cover letter, resume and ND Job Service application should be mailed-Attn. NTFCU Resume, MBC, PO Box 1133, Minot ND 58702-1133. Generous, complete benefit package. Competitive wage based on experience. For additional information contact Job Service ND or Terry at MBC 701-720-3492.

Partnership Opportunity

Fargo CPA firm looking to share space with a local CPA. Partnership potential within two years. Drewes & Horab, Box 1021, Fargo ND 58107, call Darrel at 701-237-6650.

Minot State University

Looking for Masters and PhD prepared individuals to join the Minot State University teaching team on the **Bismarck State College campus!** A letter of application, resume, and three references should be sent to: Jeanne MacDonald, MSU, 1815 Schafer St. Office 130, Bismarck, ND 58501. Positions are open until filled. For information, contact Jeanne MacDonald at 701.224-2563 or Jeanne.macdonald@minotstateu.edu. EOE

Thinking of Selling Your Practice?

Accounting Practice Sales is the leading marketer of accounting and tax practices in North America. We have a large pool of buyers, both individuals and firms, looking for practices now. We also have the experience to help you find the right fit for your firm, negotiate the best price and terms and get the deal done. To learn about our risk-free and confidential services, call Trent Holmes with the APS Holmes Group at 1-800-397-0249 or email trent@accountingpracticesales.com. **Interested in Buying a Practice?** See listing details and register for free email updates at www.accountingpracticesales.com or call at 1-800-397-0249.

Tax Preparer/Accountant Wanted

CPA firm in beautiful north central ND has opening for tax preparer/accountant. Position to be filled by early to mid summer and requires an accounting degree. CPA or CPA candidate with tax experience preferred but not required. Person must be self-motivated, dependable, efficient, accurate, detail orientated and have manager qualities. Position includes the planning and preparation of individual and small business tax returns as well as various bookkeeping, payroll and financial statement duties. Position offers a competitive salary (commensurate with experience) and benefits package. Inquiries/resumes can be sent to pr@ndscpa.org.

Senior Staff Accountant

Mortenson & Rygh are looking for a senior level CPA with tax and accounting background. Growing firm with eight CPAs on staff this tax season. Firm has grown substantially in the past few years and is looking at opportunities for additional growth in the next several years. We perform a wide range of services for a diversified client base. Service area is northeastern North Dakota and northwestern Minnesota. Looking for someone with strong people skills and a strong work ethic. Position will have near term partnership potential. Salary based on experience and will be competitive to upper Midwest levels with strong fringe benefits. Please apply with Wallace Rygh at Mortenson & Rygh, P O Box 287, Park River, ND 58270, 701-284-7616 or at Wally.Rygh@mortensonandrygh.com.



2 Threats to Investment Portfolio Performance

... James A. Schmidt, Jr., CPA, RIA

The last decade has been a challenge for many investors, especially those investing for the long-term and retirement. Given declines in global stock markets, many investors have seen little to no real growth in their portfolios over this period. For example, \$10,000 invested in the S&P 500 Market Index in 2000, was worth only \$9,090 at the end of 2009. And this does not take into account inflation, investment fees and taxes. This article explains why investors' portfolios may underperform in both bear and bull markets and incur substantial costs in the process.

Threat 1: The Expenses of Active Management

Most of us would like to beat the market, but as we'll explore in this article, even many professional money managers have had a hard time performing better than the market. To understand why, it is helpful to begin with some definitions.

Active investors (and active money managers) attempt to outperform stock market rates of return by actively trading individual stocks and/or engaging in market timing deciding when to be in and out of the market. Those investors who simply purchase "the market" through index or asset class mutual funds are called passive or "market" investors.

A lot of time and money is spent attempting to "beat" the market. Professor Ken French of Dartmouth's Tuck School of Business estimates that investors collectively spent \$102 billion per year in trying to achieve above-market rates of return.

Threat 2: Many Active Mutual Fund Managers Have Failed to Beat the Market

As you can see from this chart, over the five-year cycle from 2005 to 2009, the vast majority of active mutual funds underperformed the stock and bond markets. Though past performance is no guarantee of future results, notice how many of the money managers' average annual returns were below the average returns of their benchmarks. For example the average return for All Small Cap funds during this period was almost 1% below the Small Cap S&P 600 Index.

While some managers were able to beat the market, this raises the question: was it luck or skill? In a 2008 research study – perhaps the most comprehensive ever performed – Professors Barras, Scaillet, and Wermers used advanced statistical analysis, to evaluate the performance of active mutual funds. They looked at hind performance over a 32-year period, from 1975-2006.

The study concluded that after expenses, only 0.6% (1 in 160) of active mutual funds actually outperformed the market through the money manager's skill. This low number "can't eliminate the possibility that the few [funds] that did were merely false positives," just lucky, in other words, according to Professor Wermers.

Summary

When it is your money, these are no small matters. You don't get many chances to plan and execute your long-term financial goals. So what should you do? Each investor's situation is unique, but given the challenges and expenses of active management, putting together a sound plan that entails holding a well-diversified portfolio and not trying to beat the market may be the prudent approach in attempting to achieve your long-term financial vision.

Mutual Fund Manager Performance from 2005 – 2009

61% of large-cap managers underperformed S&P 500 Index		67% of small-cap managers underperformed S&P SmallCap 600 Index		71% of intermediate fixed income managers underperformed Barclays Intermediate Government/Credit Index		89% of international managers underperformed S&P 700 Index	
Average Annual Return							
S&P 500 Index	S&P 600 Index	Barclays Capital Int. Gov. Bond Index	S&P 700 Index				
0.41%	1.36%	4.66%	5.91%				
All Lg. Cap Funds	All Sm. Cap Funds	All Int. FI Funds	All Int'l Funds				
0.49%	0.42%	3.91%	3.77%				

Source: Standard and Poor's Index Versus Active Group, March 2010.

¹ S&P 500 Index data are provided by Standard & Poor's Index Services Group.

² Kenneth R. French, "The Cost of Active Investing," March 2008.

³ Barras, Laurent, Scaillet, Wermers, and Russ, "False Discoveries in Mutual Fund Performance: Measuring Luck in Estimated Alphas" (May 2008). Robert H. Smith School Research Paper No. RHS 06-043 Available at SSRN: <http://ilssm.com/abstract=869748>

⁴ Mark Hulbert, "The Prescient Are Few," The New York Times (July 13, 2008)

Content Copyrighted 2011. Schmidt Wealth Management. All Rights Reserved.

Keeping in Touch with the IRS



... submitted by Ann Makres, Senior Stakeholder Liaison

Extended Deadline for Form 8939

The Treasury Department and the Internal Revenue Service (IRS) have announced that Form 8939, Allocation of Increase in Basis for Property Acquired From a Decedent, was not due on April 18, 2011, and should not be filed with the final Form 1040 of persons who died in 2010. New guidance that announces the form due date will be issued at a later date and Form 8939 will be released soon after guidance is issued.

Form 8939, Allocation of Increase in Basis for Property Acquired from a Decedent, is an informational return used to establish basis for income tax purposes of property acquired from a person who died in 2010.

E-file Q & A revised on irs.gov

When is an income tax return considered filed by a tax return preparer?

For purposes of the electronic filing requirement, a return is considered filed by a tax return preparer or specified tax return preparer if the preparer or any member, employee, or agent of the preparer or the preparer's firm submits the tax return to the IRS on the taxpayer's behalf, either electronically or in non-electronic (paper) form. For example, the act of submission includes the preparer or a member of the preparer's firm dropping the return in the mailbox for the taxpayer. Acts such as providing filing or delivery instructions, an addressed envelope, postage estimates, stamps, or similar acts designed to assist the taxpayer in the taxpayer's efforts to correctly mail or otherwise deliver an individual income tax return to the IRS do not constitute filing by the tax return preparer or specified tax return preparer as long as the taxpayer actually mails or otherwise delivers the paper individual income tax return to the IRS.

Exception solely for calendar year 2011: A specified tax return preparer who

prepares individual income tax returns may mail any such return in paper format to the IRS, at the request of the taxpayer, subject to the conditions contained in Notice 2011-27. The specified tax return preparer must obtain a hand-signed and dated statement containing the taxpayer's choice to have the individual income tax return filed in paper format, and the taxpayer's unambiguous request to have the specified tax return preparer mail the individual income tax return to the IRS. If hand-signed (by either spouse if a joint return) and dated by the taxpayer on or before the date the subject individual income tax return is mailed to the IRS, the following language contained in the signed statement will be considered sufficient to show that a taxpayer chooses to have the taxpayer's individual income tax return filed in paper format and has requested that the specified tax return preparer mail the return on the taxpayer's behalf: "I do not want to have my income tax return electronically filed, and I choose to have my return filed on paper forms. I have asked my tax return preparer to mail my paper return to the IRS on my behalf."

The above statement is to be retained by the specified tax return preparer. Do not attach this statement to the client's tax return. Instead, attach Form 8948, Preparer Explanation for Not Filing Electroni-

cally, to your client's paper return and check box 1. The exception discussed in this FAQ and Notice 2011-27 is effective for and only applicable to returns filed by specified tax return preparers during calendar year 2011.

Note: If the client, and not the specified tax return preparer, intends to mail or otherwise file the client's income tax return with the IRS, the specified tax return preparer should instead obtain a taxpayer choice statement conforming to the requirements of Section 9 of Revenue Procedure 2011-25 and use the statement contained in Section 9.04 of that Revenue Procedure.



www.dfcconsultants.com
800-277-5561 / 701-281-6112
Fax: 701-281-4798

Technology
Business Applications
Training and Support
Customization
Project Management

Locations in
Fargo, Dickinson, Bismarck



Dakota CPA is published bimonthly,
by the North Dakota CPA Society.

DIRECTORS

Michael Schmitz, President
Nikki Nelson, President-elect
Len Splichal, Secretary
Patrick Kautzman
Teri Holt
Clarence Sitter
Taryce Malnaa
Steve Britsch
Rick Horn
Dianna Kindseth
Tracee Buethner
Gordy Smith, Past President

3 Year AICPA Rep, John Mongeon

STAFF

Jim Abbott, Executive Director
Norene Reiten, PR Coordinator/Editor
Sherre Sattler, CPE Director
Mandy Harlow, Administrative Assistant
Darryl Leizens, Webmaster
Jackie Hanson, Bookkeeper

NDSCPA

2701 South Columbia Road
Grand Forks, ND 58201
Toll Free: 877-NDSCPA7 Local: 775-7100
Fax: 701-775-7430
email: mail@ndscpa.org

North Dakota Society of CPAs
2701 South Columbia Road
Grand Forks ND 58201

CPA
NORTH
DAKOTA

PRSR STD
U.S. Postage Paid
 Fargo, ND
Permit #1159

Protecting Client Information As If It Were Our Own

In a world where privacy is limited...



Your client's information is worth millions, and with MinnKota Secured Document Destruction service you can rest assured the most confidential information you have is taken care of quickly and securely.



MinnKota

**SECURE
RELIABLE
RESPONSIVE**



MinnKota provides the following:

1. Security
2. Reliability
3. Compliance with HIPPA, HITECH, FACTA and SOX
4. Flexibility (a collection structure to meet your business' needs)
5. Environmentally friendly (paper shreds are pulverized and pulped into new paper products)
6. Mobile and plant based destruction services available

MinnKota was the first facility in North Dakota to be certified by the National Association for Information Destruction (NAID).

We specialize in all types of document destruction so businesses can focus on the real tasks at hand.

MinnKota Secured Document Destruction
701.293.8428
1.800.726.3164
www.minnkota.biz