PARTNERS' NETWORK NEWSLETTER

MAY 2011

LETTER FROM THE EDITOR

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To our colleagues,

Here is the latest issue of the Partners' Network Newsletter with information we think you will find helpful in your practice. We've included an interview with Maureen DeCicco, a part-time partner that gives full-time client service and engagement management, reviews of books and CD programs that should be required reading for anyone running a CPA practice, how I use our Firm's resources, a description of forensic investigative services and a cartoon about trying new things. We trust you will find many ideas that you will be able to adapt to your practice

We've also included information about our annual all day CPE program that will be held on Tuesday, June 28 at the Forsgate Country Club in Jamesburg, NJ. The program schedule appears on the next page. Partners' Network members will receive an $80 discount to this full day, eight topic program. Members can also bring an associate from their firm at the same discount. There are many other benefits of membership which is described on page 7. If you are not a member, please consider joining.

An added bonus of our meetings and conferences is the opportunity to network and discuss current issues. Partnerships and mergers have taken place with colleagues meeting at our conferences.

The Partners' Network is a program of WithumSmith+Brown that is intended to support smaller accounting practices in areas where they need help or do not perform certain services. Members are welcome and encouraged to call us with any issues and questions they have where we might be able to assist them. This includes managing their practices and succession planning as well as accounting, auditing, specialized tax services, business valuation and forensic accounting. We also assist in niche areas where we are particularly strong such as construction contractors, manufacturers, health care organizations, not-for-profit entities, real estate developers, and financial services including hedge funds, broker dealers and public companies.

Be sure to sign up for this valuable CPE program being held on June 28th. Attendees will receive a thick handbook that will be a complete reference source to refer to in the future.

Sign up today and reserve your seat! We look forward to seeing you on June 28th.

Cordially,

Edward Mendlowitz
Editor

P.S. We perform many other services for CPAs including peer and quality reviews, business valuations and forensic services, and audits that you may not be in a position to perform. Please keep us in mind when you are in need of these services. We can also lend a hand to controllers who need assistance on special projects including tax basis conversions to GAAP and state tax compliance issues.

WITHUMSMITH+BROWN

PARTNERS' NETWORK: ANNUAL CPE PROGRAM

JUNE 28, 2011 • FORSGATE COUNTRY CLUB, JAMESBURG, NJ (NEAR TURNPIKE EXIT 8A)

4 A&A, 3 TAX AND 1 MAS CPE CREDITS

CPE SCHEDULE

8:00AM – 8:30AM
Continental breakfast and networking

8:30AM – 9:20AM
PERSONAL FINANCIAL STATEMENTS
Presented by Brad Caruso, CPA
(1 A&A Credit)

9:20AM – 10:10AM
INHERITED IRAS, 401KS AND PENSION PLANS
Presented by Hal Terr, CPA
(1 Tax Credit)

10:10AM – 10:30AM
Networking break

10:30AM – 11:20AM
ADVISING CLIENTS ON BUSINESS, PROPERTY AND CASUALTY INSURANCE
Presented by Meeker Sharkey Associates, Thomas Sharkey, Jr, Richard Skorupski and Greg Sandler
(1 MAS Credit)

11:20AM – 12:10PM
PETER WEITSEN'S IRS UPDATE
Presented by Peter A. Weitsen, CPA
(1 Tax Credit)

12:10PM - 1:00PM
Lunch and Networking

1:00PM – 1:50PM
ASSISTING CLIENTS WITH A BUSINESS PLAN'S FINANCIAL PROJECTIONS
Presented by Edward Mendlowitz, CPA
(1 A&A Credit)

1:50PM – 2:40PM
TAX ASPECTS OF A DIVORCE
Presented by Kevin Fellin, CPA
(1 Tax Credit)

2:40PM – 2:50PM
Short break

2:50PM – 3:40PM
ACCOUNTING AND AUDITING UPDATE
Presented by Frank R. Boutillette, CPA
(1 A&A Credit)

3:40PM – 4:30PM
AUDITING A NOT-FOR-PROFIT ORGANIZATION
Presented by Jim Mulroy, CPA
(1 A&A Credit)

NATIONAL REGISTRY OF CPE SPONSORS

WithumSmith+Brown, PC is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Ave, North, Suite 700, Nashville, TN, 37219-2417. Web site: www.nasba.org

Delivery Method: Group-Live • **Program Level:** Intermediate • **Prerequisites:** Must be a CPA in own practice or a Partner/Manager in a firm • **Advanced Preparation:** None ***For information regarding refunds, complaints and/or program cancellation policies, please contact Heather Suddoth at 732.828.1614 or email hsuddoth@withum.com.***

INTERVIEW WITH *NJBIZ'S* 2011 "BEST 50 WOMEN IN BUSINESS" AWARD WINNER

MAUREEN M. DECICCO, CPA, PARTNER

In 2007, Maureen DeCicco became WS+B's first "part-time" partner. The *Partners' Network Newsletter* asked Maureen some questions about how she balances her home life with her professional responsibilities and what we can learn from her experiences.

When you decided you wanted to be home for your children, how did you approach it with your bosses here? Well, my bosses were always very approachable so that wasn't a problem. I discussed what I wanted to do with them, making it clear that my career was important to me and that I wanted to also be able to continually evolve and grow professionally. The biggest issue was how the clients' needs would be met, and we seemed to come up with a workable plan.

Did you realize that you might be giving up an opportunity to one day become a partner, and how did you feel about it? I never thought I was giving up that opportunity, just that I was slowing it up, and I made my feelings about this known. I was never one to stand still, and I also asked the partners to consider me for new assignments, new clients and challenging work that would make me grow. They had enough confidence in me to know that if I felt I couldn't handle something, I would reach out to them. The opportunities kept coming, even more so since we were all on the same page about new work.

How did you find the transition from full-time to part-time at work? I had to work harder at letting people know I was available and could be counted on. I returned all calls promptly and followed up more rigorously than I used to. I learned to delegate more and to trust staff under me to meet deadlines which became more important for me to watch. I also found it hard to not do some things myself but developed a better support system in the office and feel I've become a much better manager because of my not being around as much.

Was there a difference in attitude in fellow staff, partners and clients, and how did it affect you? I originally thought I would work three days a week, but ended up working five days, but shorter hours each day. I found shorter days were more manageable at home and at the office or when working from home. This way, I was always available to manage and assist work flow, staff and clients. I realized it was important for me to be accessible in order to keep growing professionally. Clients weren't a problem at all. They knew I was not working full-time, but they also knew they could call me whenever they needed me, and I would get back to them right away. I believe this was key to not disrupt client service. I made and returned all calls even when I wasn't in the office. Also, no deadlines were missed because of my new routine because they were set with better focus. Everyone seemed to adapt quite easily to my hours.

Professionally, how did your outlook change? It made me realize that what I always thought was so urgent wasn't. I was able to temper business urgency and pressure with my other responsibilities. I began to realize that not everything, at all times, would be the most important thing on my plate. Sometimes business was more important, and other times my home activities were more important. I began to take a much bigger picture look and got a better perspective on what I was doing. I also started putting less pressure on myself. I knew it would eventually all balance out. It made me a better person, more organized and happier.

Did anyone in particular mentor you, or did you have any role models or anyone to lean on? My mentors were all three partners in my office — Bill Hagaman, John Mortenson and Jim Decker. They each helped me in different ways, and if they didn't give me their support, it wouldn't have worked. I speak to people at other firms, and the biggest reason they leave the profession is the lack of partner support – knowing how good it was for me, I try to help them and tell them they need to communicate better with their bosses about it.

How did your husband Ken support you, and as the children grew, was there any expressed awareness by them of your different type of situation? Ken was fantastic, and his support was wholehearted. I also got support from my Mom and sisters. Ken is a police sergeant and works shifts and had, at times, two days off during the week. He spent his days off with the children enabling me to work longer hours those days. We didn't see much of each other, and there was a lot of juggling, but it worked. When we both had to work and my Mom wasn't available, the kids went to day care. The problem with day care is that kids get sick more often, and then one of us really needed to stay home. Sometimes Ken took vacation days when I couldn't rearrange my schedule. We really worked as a team to make both of our goals achievable.

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INTERVIEW WITH MAUREEN DECICCO, CPA, PARTNER

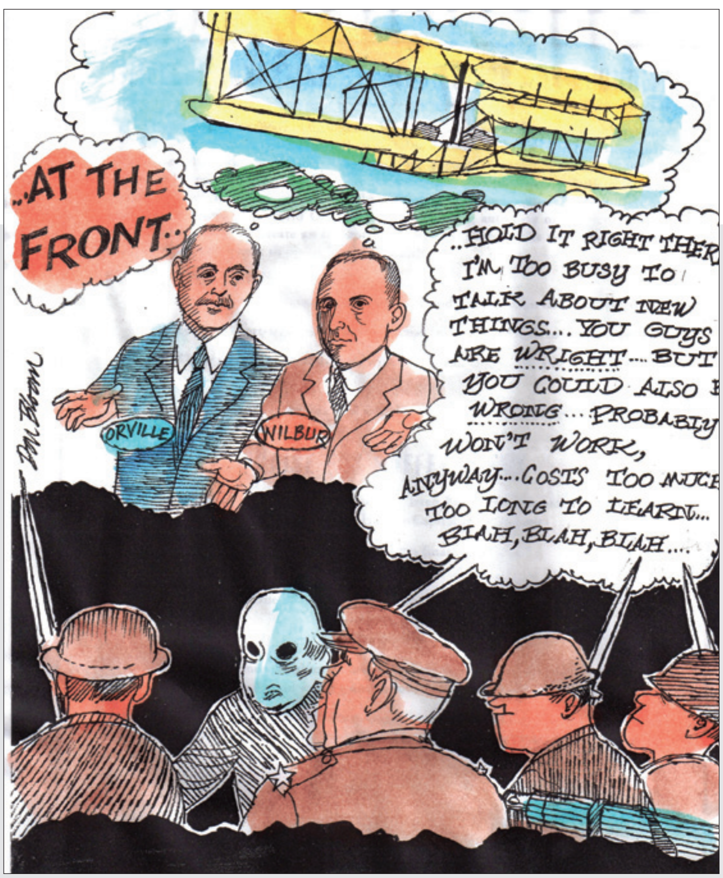
(CONTINUED)

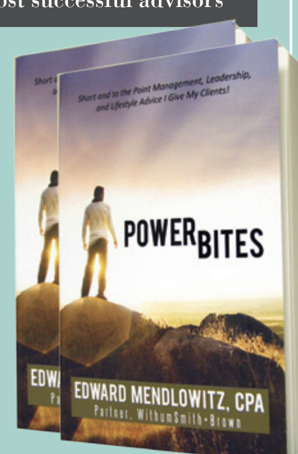
How were you able to supervise and manage staff as your role and work responsibilities grew? I learned early on that if I made an investment in training, I would be better able to manage. People that supervise need to understand that the first time something is taught, it will take longer than if the job were just done. However, the benefits or payback come the second and third time on that job. That is where I tremendously benefited. Also, instilling a team mindset was so important. If my team couldn't get to something and I needed it, I would step in and help get it done to stay on schedule — both my schedule and the client's deadline. I have tremendous support from both staff and partners, it's a give and take.

Were you surprised when you were told you would be made a partner, and how did you react? I always had hoped I would become a partner someday but didn't expect it when it happened. Bill was my mentor, and we had periodic lunches so when this lunch was scheduled, I didn't think it was anything unusual. When I walked in, I saw Ivan [Brown] there and knew something was up. Then John came in, and I realized what was happening. However, they didn't say anything right away, and they sort of let me hang until they told me I was going to become a partner. I was overwhelmed, very excited and extremely happy. All my efforts seemed to pay off. They brought me to where I wanted to be.

Are you involved in any initiatives to support people that want a dual role? Internally, I am very proactive advocating that people can have a successful career and a satisfying home life working part-time or in flexible arrangements. WS+B now has a Women's Leadership Development Initiative that promotes work-life balance, which is something I have done all along. It has been great to be able to see this philosophy grow into an initiative. I am particularly very proud that we have four women professionals in the New Brunswick office that are now on part or flex-time. Part of my focus is to continue to be a good role model and resource for them.

What advice can you give to younger staff who want to have a more balanced home and professional life? It can be done. Be kind to yourself, and don't over pressure yourself to be perfect. Work hard, but enjoy life. If you are happy, it will spill over at work. Both can be balanced very well. Don't be afraid to lean on family and friends for help. For me, it's been great — I've had the best of both worlds. My kids also saw mine and Ken's work ethic, devotion and dedication to our family and professions and that there is a balance in life that we should be appreciative of and grateful for.





IF I KNEW EVERYTHING, I SHOULD KNOW...

...I would never get any work done – I would spend all my time reading, learning and attending CPE programs and webinars.

What I realized at some point in my career is that while I can't know everything, it is easier to concentrate on a few things I really enjoy and can master, and then find the go-to person for every other specialty. Originally, being with Peter and Frank enabled me to reduce my expertise level in taxes and auditing and concentrate more on business consulting, estate and succession planning and valuations. Joining a much larger firm (over 6 years ago!!!) enabled me to further sharpen my specialties while at the same time becoming more aware of additional services and subspecialties and who the appropriate expert was.

Some examples of the great people I work with are Don Scheier, who heads a group that does estate and trust administration, Randy Paulikens and Robert Brown, who specialize in forensic investigations, Hal Terr for estate planning, Kimberlee Phelan for international taxation, Jim Mulroy for not-for-profit issues, Ruben Cardona for anything involving real estate, Maureen DeCicco, who I use for serious internal control reviews, Jim Bourke for the latest in IT strategies and uses and Sherri Wronko, who is my go-to person for ERISA work. There are dozens others whose names are on our internal directory and also on our **www.withum.com** website under **INDUSTRIES** and **SERVICES**.

What I have become is an "expert" in who is the Withum go-to person, and I then make it my business to get to know them and their abilities. This is much easier since there are many opportunities for partners and senior managers to interact. Everyone is easily available with e-mail and through our internal phone system where I can reach anyone in any office just by dialing their 4 digit extension.

This knowledge has become a valuable asset for me, and what I have tried to do through the Partners' Network is provide access and a gateway for many fellow practitioners to our larger Firm's resources, support and backup. I welcome calls and welcome the opportunity to point my colleagues in the right direction with the right people at our Firm.

FORENSIC ACCOUNTING

Forensic accounting involves the investigation of accounting and financial transactions that are or will become subject to legal proceedings. It is an early step in a potential war, and many times it is the first shot of the war.

The process involves identifying, gathering, analyzing and investigating transactions in a manner where the results can be clearly explained and documented. Guess work is not part of the process, but inquisitiveness is essential in charting the path of what needs to be done. Opinions are presented as an end product or result of the work. The work process should be free of bias or supposed conclusions or leanings. The end result is a factual and expert presentation of financial and economic issues and possible quantifications of claims or damages that flow from the investigator's procedures.

The genesis of the process is adversity, but some of the conclusions can provide tangible benefits by recommendations of corrective measures that can be implemented to reduce risks of future losses or a tightening of controls. In fact, some of our engagements are not litigation based, but rather are for the purpose to review a company's processes and procedures to make sure they are being followed and to provide an oversight that they are appropriate for the company and its personnel.

Retaining forensic accountants at a beginning stage in contemplated litigation can result in substantial overall cost and time savings by early identification of issues, scope of discovery, additional areas susceptible to damages and preliminary ball part quantification of damages. It is not unusual for early estimations of potential recoveries to be less than the costs of the litigation, thus curtailing any further actions.

The forensic accountant needs to bring to the process their analytical ability, auditing discipline, persistence, creativity, discretion, organization capability, experience and professional judgment.

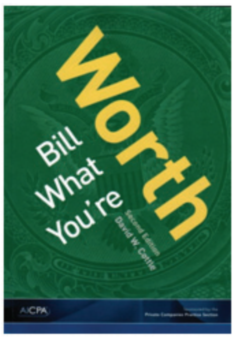
Some areas where forensic accountants are engaged are in martial disputes, business partnership disagreements, commercial litigation, loss damages such as from a fire or flood, breach of contracts, royalty and license payments, bankruptcy and pre filing issues, suspected employee theft, falsification of financial reports, insurance fraud, merger and acquisition due diligence audits and preliminary top side reviews.

If you think a client will have a forensic issue, the earlier you start, the better.

Book Review and Recommendation by Ed Mendlowitz, CPA

BILL WHAT YOU'RE WORTH, 2ND EDITION

by David W. Cottle (AICPA 2011)



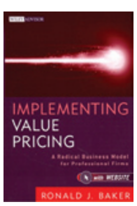
There are few people that have had as strong of an impact on fellow professionals as Dave Cottle. His speeches and books have been invaluable aids to many colleagues, including my practice and most importantly, to my bottom line.

This second edition includes everything that was great in the previously published book and has many new tips, billing methods and calls to action. I feel the book is required reading for anyone active in public accounting.

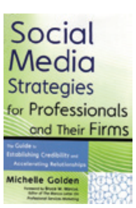
In business, everything is a billing issue, but not everything is caused by faulty billing. Bad scheduling, bad management, failure to properly communicate the reasons for a higher fee, not describing clearly what the work product will be, unwillingness to confront the client with a higher bill because of scope creep and poor estimation of the charge for the work are some of the things Dave identifies and explains.

All in all, I strongly recommend this book — there is so much in here that it has to be impossible not to be able to benefit from what Dave tells us.

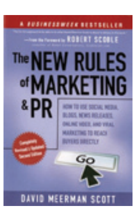
OTHER RECOMMENDATIONS



IMPLEMENTING VALUE PRICING: A RADICAL BUSINESS MODEL FOR PROFESSIONAL FIRMS **by Ronald J. Baker (Wiley 2011)**
Ron is the "inventor" of value pricing. If you ever consider value billing, you need to be familiar with what Ron says in his latest book.



SOCIAL MEDIA STRATEGIES FOR PROFESSIONALS AND THEIR FIRMS **by Michelle Golden (Wiley 2011)**



THE NEW RULES OF MARKETING & PR **by David Meerman Scott (Wiley 2010)**
Business communications have changed, are changing and will be changing — all at light speed. These two books present all aspects of social media and marketing. Both are great. Both are up-to-the-minute and great roundups of what is happening and what to do.

Note that I have heard Dave Cottle, Ron Baker and Michelle Golden speak, and I also urge you not to miss any opportunity to attend their live programs.

***SUCCESS* MAGAZINE:**
At the beginning of the year, Peter got me a subscription to *Success*. I now eagerly await its delivery, especially with the hour long CD included in each issue. Pick up the current issue at the news stand, read it and listen to the CD — and then subscribe. Many CD subscriptions alone cost 2 to 3 times the nominal subscription price of the magazine.

GREAT COURSES COMPANY:
I get many CDs to listen to in my car. One of the best non business programs on CDs comes from the Great Courses Company. Additionally, their very frequent catalogues contain extremely interesting and concise articles on the subjects covered in their featured courses.

Except when I want to listen to news headlines or some sports games, I am always playing a CD in my car. If you want to borrow a CD or set from me, e-mail me telling me your interests, and I'll see if I have something to lend you.

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☐ Attend WS+B Partners' Network, Annual CPE Program @ $295.00 ....

☐ Already a member? Receive an $80.00 Partners' Network discount ....

☐ Additional person at the same fee I am paying ....

☐ I cannot attend, but please send me conference materials on a CD @ $100.00 ....

☐ Sign me up as a Partners' Network Member @ 145.00 ....

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Contact: Heather Suddoth

THE PARTNERS' NETWORK

Why should my firm join The Partners' Network?

- To broaden your firm's services and expertise
- To help you build your business for growth and profitability
- To obtain answers to challenging audit and tax matters with a phone call
- To get ideas and tips on how to better manage your practice

What does The Partners' Network offer a firm like mine?

Again, many answers:

- Free Power Breakfasts covering timely topics, such as:
  - "Internet Marketing" ideas for using the Web to build business
  - "What Makes a Company Great?" attracting & retaining talented staff
  - "Making More Money" setting fees, effective billing
- Discounts on the annual CPE Conference in June
- Invitation to the Pre-Tax season CPE program.
- Answers to your questions on tax, accounting, auditing, or practice management at no charge. Just pick up the phone and call, or send one of us an e-mail.
- Contacts with peer CPA practitioners and opportunities for exchanging ideas, resources, and information with your colleagues.

How do I join?

Membership is $145 per year ($500 for firms of 100+). Phone or e-mail Heather with your credit card information, or put a check and business card in the mail. It's as easy as that. So give Heather a call today at 732.828.1614, or send an e-mail, hsuddoth@withum.com. We look forward to hearing from you soon.

You've Gotten This Far. Why Stop Now?

Succession Planning will help your company continue to succeed —even after you're gone.

Begin planning for the extended life of your company. Call us today to discuss which options are best for your company's future.

Ed Mendlowitz, CPA/ABV, Partner
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Certified Public Accountants and Consultants
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Partners' Network

ANNUAL CPE PROGRAM

DETAILS INSIDE

We are registered with the Public Company Accounting Oversight Board (PCAOB) and are available to perform your peer review.

Call us for more information.

Frank Boutillette, CPA/ABV, Partner
732.828.1614

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