



ALASKA SOCIETY OF CPAs

2012 Annual Meeting

June 1, 2012

Land's End Resort  
Homer, AK

Agenda  
Minutes  
Financial Reports  
Committee Reports

Alaska Society of CPAs 341 West Tudor Rd. #105 Anchorage, AK 99503  
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**ALASKA SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS  
2012 ANNUAL MEETING  
June 1, 2012  
Agenda**

**Friday, June 1, 2012**

- 8:45 a.m.       **CALL MEETING TO ORDER** – Bethe Davis, President  
Introductions – out going board and incoming board - John Rodgers
- 2011 ANNUAL MEETING MINUTES** – Rebecca Martin, Secretary
- 9:00 a.m.       **FINANCIAL REPORT** – Cindy Hulquist, Treasurer  
                  **Investment Report** –
- 9:10 a.m.       **HAGELBARGER SCHOLARSHIP FUND REPORT** –  
Mark Schneiter, Jane Lanford and Tracy Hartung – Directors
- 9:20 a.m.       **AICPA COUNCIL REPORT** – Don Rulien, Elected Member of Council and  
Marja Beltrami, Designated Member of Council
- 9:30 a.m.       **ALASKA STATE BOARD OF PUBLIC ACCOUNTANCY REPORT** –  
Jeff Johnson, State Board Chairman/Melody Schneider, Board Liaison
- 9:40 a.m.       **TECHNOLOGY/WEBSITE DEMONSTRATION** –Rebecca Martin, Chair
- 9: 45 a.m.       **SPEED DATING COMMITTEE STYLE**
- 10:45 a.m.      **GOALS FOR NEXT YEAR** – Bethe Davis, President
- 11:00 am        **ADJOURN**

**COMMITTEE REPORTS – TASK FORCE REPORTS (written reports)**

Accounting and Auditing – Cathleen Hahn, Chair  
CPE – Jacque Briskey, Chair  
Ethics – Melody Schneider, Chair  
Financial Literacy – Josh McIntyre, Chair  
Legislative/ Political Action Committee – Lisa Rogers, Chair  
Management of an Accounting Practice Committee – Leslie Schmitz, Chair  
Meetings –Rebecca Martin, Chair  
Relations with Education – Amy Cooper, Chair  
Tax – John Rodgers, Chair  
Technology/Website - Rebecca Martin, Chair



Alaska Society of Certified Public Accountants  
Annual General Meeting  
May 13, 2011  
Attendance: 23

*Please refer to 2011 Annual Meeting Packet, available for review as requested, for additional non-verbal committee reports, the Treasurer's financial reports, and the 2010 Annual Meetings Minutes.*

### **Call to Order**

Marja Beltrami, Incoming President, called the meeting to order at 1:06 pm at Alyeska Resort in Girdwood, Alaska. Marja yielded the floor to John Rodgers, Outgoing President. John expressed that we would like this meeting to be an efficient annual meeting. He expressed his appreciation for William Piroli's presentation and thanked him for travelling so far to present to us. He thanked the board for working with him this year. It was a relatively quiet year except for the launch of the website. There were a lot of great ideas, support and committee assistance over this last year. He specifically thanked Linda Plimpton, our Executive Director. AKCPA is great due to Linda's work.

He introduced the incoming board members and acknowledged and expressed his thanks to the outgoing board members.

### Incoming:

Marja Beltrami: President  
John Rodgers: Past President  
Bethe Davis: President Elect  
Dixie Retherford: Secretary  
Cindy Hulquist: Treasurer  
Jason Bontrager: Director  
Bridget Lujan: Director  
Rebecca Martin: Director

### Continuing:

Amy Cooper: Director  
Cathleen Hahn: Director  
Janet Younger: Director

Outgoing:

Julie Olson: Past President  
Jason Pierce: Secretary  
Michael Janson: Director

John directed attention to the prior year minutes taken by Bethe Davis, and noted that they were included in the annual report for member review. Jacque Briskey moved to accept the 2010 annual minutes, seconded by Don Rulien. The motion carried unanimously.

**Financial Report**

Bethe Davis, Treasurer, presented the financial report. A summary was presented as of April 30<sup>th</sup>, 2011 and also included in the annual packet for member review. Bethe indicated that the website costs were capitalized. Income was under Budget and Expenses were over Budget; however, our investments recovered from the downturn of last year. Bethe indicated that we focused on membership renewal, quality CPE, and added more student members this year. This was the first year of the website, which has already generated some savings on printing and postage since we no longer print the catalog and membership directory.

Current investment policy says we have 5 months of savings plus 10% in reserves. We still have significant revenues. Bethe requested any ideas for how best to use our revenues from membership.

Cindy Hulquist moved to accept the 2011 financial reports, seconded by Jacque Briskey. The motion carried unanimously.

John Rodgers follow Bethe's report with a few comments: Drop in membership has mainly been due to other CPE opportunities available to members. Board hopes to explain to our membership that AKCPA is more than just a venue for CPE. We network with other CPAs and expand our relationships with our CPA peers. John expressed that we will continue to offer great CPE live courses and expand our webinars and online CPE. Also, we are working to research younger CPAs by reaching out to Alaska Universities.

John then introduced Todd Bauer, our investment advisor with Edward Jones. Todd presented a report, including a Portfolio Diversification Bar Chart, Asset Analysis, and Performance Summary (attached at the end of these minutes).

Before Todd began his report, he suggested we ask students to the AKCPA monthly meetings or other events to generate student interest.

Every new board reviews our risk tolerance policy and asset allocation. Early in 2010, the Board wanted to reduce our stock market risk exposure. Each Board has different risk tolerance. Of our assets held at Edward Jones, are now 41% are in cash, 25% in bonds, and 33% in blue-

chip/growth type mutual funds (see report provided by Todd Bauer for actual percentages). Our rate of return at the beginning of the year was 5.25% and 4.25% at the end of the year.

John Rodgers followed up Todd's report with a few more comments: market turned resulted in the Board lowering their risk tolerance since the AKCPA is a non-profit and we did not want to be too aggressive with the economy down, CPE revenue down, and membership down. Incoming Board members may decide to increase our investment risk as the economy improves. John invited members to consider joining the Investment Committee.

**Committee Reports – Comments in addition to the written report are below.**

**Accounting & Auditing:** Presented by Chair, Cathleen Hahn (see written report)

**CPE:** Presented by Chair, Jacque Briskey (see written report)

Jacque indicated that CPE is a revenue generator and what members look to as part of membership. We offered quality CPE, but delivered in different formats. We offer web-based and self-study, in addition to our live classes.

Jacque noted that links to online courses through the AKCPA website also generate some revenue for us.

Yesterday we offered a new Ethics course by Larry Stein, which was well received and attended. Jim Rigos course may be available near the end of 2011. CPE committee is discussing alternating between these 2 vendors. Jacque noted that early registration and season pass expire Monday, May 16<sup>th</sup>.

**Ethics:** Presented by Chair, Melody Schneider (see written report)

**Financial Literacy:** Presented by Chair, Jacque Briskey (see written report)

Jacque noted that the previous chairs of this committee were Lance Bodeen and Jason Pierce.

Last year the financial literacy committee members made several presentations focusing on the budgeting and financial health of families.

There was also a booth at the Eagle River Bear Paw Festival where we had over 1,000 people stop by. We gave away several savings bonds at the Festival.

**Legislative/Political Action Committee:** Presented by Chair of PAC, Mike Cook (see written report prepared by Lisa Rogers, Legislative Committee Chair and PAC Treasurer)

Mike also stressed the importance of not sending cash anonymously as we have to forfeit this donation to the AK Public Offices Commission.

Also, if you know of a candidate that we should support, please contact the PAC.

**Management of an Accounting Practice (MAP):** Presented by Chair, Marja Beltrami (no written report)

Meets the third Tuesday of every month in Anchorage at 7:30am at City Diner.

CPAs share practice concerns, things that worked, things that didn't. Push this year to consider joining AICPA's PCPS.

**Meetings:** Presented by Co-Chair, Rebecca Martin (see written report) Co-Chair, Jacque Briskey

**Relations with Education:** Presented by Board Liaison, Beth Davis on behalf of Chair, Amy Cooper (see written report)

**Tax:** Presented by Board Liaison, Janet Younger on behalf of Chair, Joan Henry (no written report)

Meets in Anchorage every 2 weeks at the AKCPA offices. We discuss tax problems and solicit opinions of other CPAs for solution or further research.

**Website Demonstration:** Presented by Task Force member, Rebecca Martin (no written report).

**Meeting INTERRUPTED BY FIRE DRILL FROM 1:45-1:52 pm**

### **Hagelbarger Scholarship Fund Report**

Presented by John Rodgers (see written report).

### **AICPA Council Report**

Presented by Don Rulien (no written report). Council held 3 meetings. At the San Diego, CA meeting, topics included the international credentials, getting kids involved early, non-CPA associates, and problems with AICPA membership.

At the New Orleans meeting, the main topic was private vs. public reporting. A blue ribbon panel is working on a report about this and it is expected soon. Most expedite way to have different rules for private and public companies would be to establish another board. FASB would handle public company reporting and a new board would handle "small entity" reporting.

At the Los Angeles meeting, topics included new possible Joint Venture with CIMO, Charter Institute Management Accounting to establish new international credentials. It would consist of 60% owned by AICPA, and 40% by CIMA, with board management at 50/50 with Chair switching every year. It would include 560,000 worldwide members.

**State Board of Accountancy**

Presented by Melody Schneider (see written report).

**Goals for Next Year**

Presented by Marja Beltrami, Incoming President

Marja's goals include expanding technology for AKCPA for our dynamic industry as we face national and state issues that affect us all; increasing and maintaining membership; develop outreach to all CPAs in the State to increase dues and explain to all CPAs of Alaska the intangible benefits of AKCPA membership.

Motion to adjourn was made by Rebecca Martin and seconded by Don Rulien, motion passed unanimously. Meeting adjourned at 2:45 pm.

*Minutes prepared by Rebecca Martin, acting Secretary for Jason Pierce*

## Alaska Society of Certified Public Accountants, Inc.

## Statement of Activities - Budget and Actual

For the year ended April 30, 2012

	CPE	General	Hagelbarger	TOTAL	Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
CPE seminars	\$ 241,500	\$ -	\$ -	\$ 241,500	\$ 241,425
Dues	-	104,145	2,040	106,185	101,280
Initiation fees	-	960	-	960	600
Meetings income	-	18,160	-	18,160	13,250
Other income	-	3,993	600	4,593	3,000
<b>Total Income</b>	<b>241,500</b>	<b>127,258</b>	<b>2,640</b>	<b>371,398</b>	<b>359,555</b>
<b>Expense</b>					
Salary and wages	44,373	29,582	-	73,955	71,662
Payroll taxes	3,688	2,458	-	6,146	7,165
Accounting services	2,562	2,561	-	5,123	3,000
Exec Dir. discretionary	-	465	-	465	500
Automobile	76	75	-	151	200
Depreciation	-	16,600	-	16,600	16,600
Donations	-	2,000	-	2,000	2,000
Employee retirement benefits	10,928	7,286	-	18,214	15,375
Insurance	544	1,823	-	2,367	2,400
Health insurance	10,954	7,303	-	18,257	16,152
Legislation	-	5,250	-	5,250	5,250
Bankcard discount fees	5,478	3,966	-	9,444	10,000
Miscellaneous	-	25	-	25	200
Postage	627	627	-	1,254	1,000
Newsletter & Printing	-	1,746	-	1,746	1,000
Promotion, dues, publications	-	350	-	350	300
Rent	19,812	19,812	-	39,624	39,624
Supplies	910	910	-	1,820	1,500
Telephone	1,940	1,940	-	3,880	4,300
Travel	25,391	17,240	-	42,631	54,500
Copier charges	207	207	-	414	360
Technology	-	4,365	-	4,365	4,100
Facilities	26,671	-	-	26,671	20,400
Discussion leader fees	71,850	-	-	71,850	72,120
Participant materials	19,442	-	-	19,442	14,175
Meetings	-	1,784	-	1,784	3,500
Annual meeting	-	16,936	-	16,936	12,000
Scholarship awards	-	-	2,500	2,500	6,000
<b>Total Expense</b>	<b>245,452</b>	<b>145,311</b>	<b>2,500</b>	<b>393,263</b>	<b>385,383</b>
<b>Net Ordinary Income</b>	<b>(3,952)</b>	<b>(18,053)</b>	<b>140</b>	<b>(21,865)</b>	<b>(25,828)</b>
<b>Other Income/Expense</b>					
<b>Other Income</b>					
Interest income	-	201	-	201	-
Gain (loss) on investments	-	(2,196)	(1,562)	(3,758)	1,000
Dividend on Investment	-	2,506	3,234	5,740	-
<b>Total Other Income</b>	<b>-</b>	<b>511</b>	<b>1,672</b>	<b>2,183</b>	<b>1,000</b>
<b>Net Increase (decrease)</b>	<b>\$ (3,952)</b>	<b>\$ (17,542)</b>	<b>\$ 1,812</b>	<b>\$ (19,682)</b>	<b>\$ (24,828)</b>

Presented to the membership of the Alaska by Cindy Hulquist, CPA, Treasurer

Alaska Society of Certified Public Accountants, Inc.

Statement of Financial Condition

As of April 30, 2012

**ASSETS**

**Current Assets**

Checking/Savings	\$ 49,370
Accounts Receivable	-
Prepaid expenses	7,393
Marketable securities	<u>106,053</u>

Total Current Assets 162,816

Fixed assets (net of depreciation of \$54,486) 27,154

**Other Assets**

Hagelbarger scholarship 103,882

**TOTAL ASSETS** \$ 293,852

**LIABILITIES & NET ASSETS**

**Current Liabilities**

Accounts Payable	\$ -
Accrued liabilities	4,146
Deferred revenue & deposits	<u>58,595</u>

Total Current Liabilities 62,741

**Net assets**

Unrestricted net assets	250,793
Net Increase	<u>(19,682)</u>

Total net assets 231,111

**TOTAL LIABILITIES & NET ASSETS** \$ 293,852

Presented to the membership of the Alaska Society of CPAs by Cindy Hulquist, CPA, Treasurer

## Portfolio Analysis

Todd E Bauer  
Financial Advisor  
(907) 561-3275

May 22, 20

Prepared for

**ASCPA**

Account Number: 519-10740

# Portfolio: Diversification Bar Chart

Portfolio Objective: Income Focus

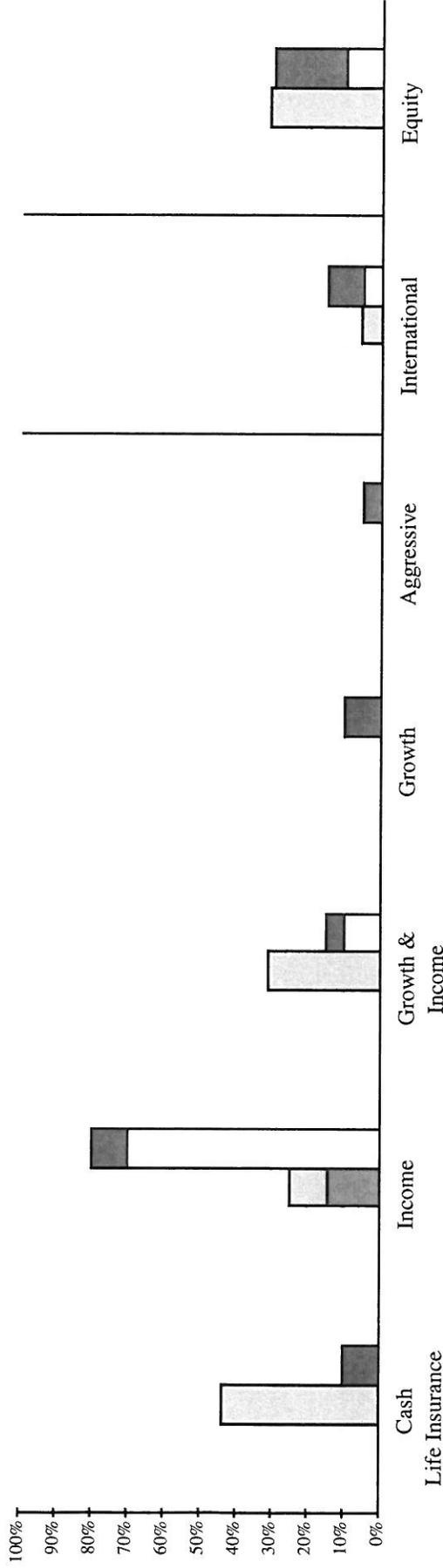
Todd E Bauer

Financial Advisor

(907) 561-3275

Prepared for: ASCPA

Account Number: 519-10740



Investment Category	Value	Actual	Suggested Range
Cash and Life Insurance	\$44,991.55	43.53%	0-10
Income	\$26,164.03	25.31%	70-80
Growth and Income	\$32,200.85	31.16%	10-15
Growth	\$0.00	0.00%	0-10
Aggressive	\$0.00	0.00%	0-5
<b>Portfolio total</b>	<b>\$103,356.43</b>		
International	\$5,674.00	5.49%	5-15
Equity	\$32,200.85	31.16%	10-30
Aggressive Income (within Income)	\$14,629.79	14.15%	0-10

This asset allocation recommendation is based upon the quarterly meeting of our Investment Policy Advisory Committee. If you would like more information about the committee and its recommendations please ask your Financial Advisor for the Building Your Portfolio Strategy Report. This Portfolio Analysis is not an account statement and is intended for illustrative purposes only. Income projections are based on currently available data. You should not rely on this document to reflect your investment holdings at Edward Jones, nor should you rely on it for cost basis information or to prepare tax returns. To review your investment holdings, please refer to your account statement or AccountLink. Edward Jones assumes no responsibility for vendor and client assets held outside of Edward Jones or for the accuracy of the data relating to those assets. If there are any discrepancies or concerns regarding this report, please call our Client Relations department at 1-800-803-3333 or review your account online at [www.edwardjones.com/accountlink](http://www.edwardjones.com/accountlink).

## Portfolio: Performance Summary

Portfolio Objective: Income Focus

Todd E Bauer

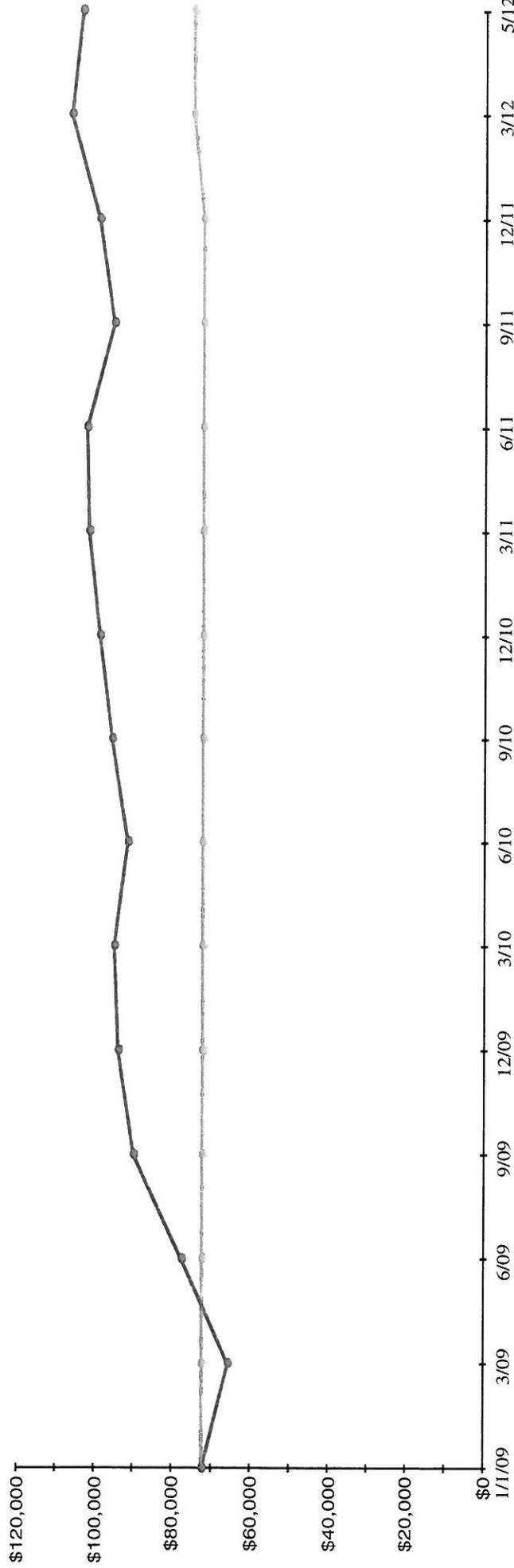
Financial Advisor

(907) 561-3275

Prepared for: ASCPA

Account Number: 519-10740

Assets Held by Jones



### Value Summary

	2012	2011	2010	2009	Since 01-Jan-2009
Beginning Portfolio Value	\$98,922.51	\$98,756.66	\$93,833.60	\$72,346.68	\$72,346.68
Amount Added / Withdrawn from Account	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00
Total Return (\$)	\$1,933.92	\$165.84	\$4,923.06	\$21,486.93	\$28,509.77
<b>Ending Portfolio Value</b>	<b>\$103,356.42</b>	<b>\$98,922.51</b>	<b>\$98,756.66</b>	<b>\$93,833.60</b>	<b>\$103,356.40</b>
Your Personal Rate of Return (Total Return %)	1.91%	0.17%	5.25%	29.70%	39.28%

All personal rate of return information is as of May 21, 2012.

Please refer to Disclosure Page A "Understanding Your Personal Rate of Return" for Important Information.

**PAUL HAGELBARGER MEMORIAL FUND  
ANNUAL REPORT  
For the year ended April 30, 2012**

In 1964 the Alaska Society of Certified Public Accountants, Inc. established the Paul Hagelbarger Memorial Fund (the Fund) in honor of one of its members. The primary objective of the Fund is to provide financial support to promote accounting education for the practice of public accounting in Alaska. The awarding of scholarships is based on scholastic achievement, the student's intent to pursue a career in public accounting in Alaska, and financial need. The scholarships are open to all junior, senior and graduate students who are majoring in accounting and are attending four-year institutions in the State of Alaska. The Hagelbarger directors have determined that the minimum scholarship will be \$2,000 per recipient.

For the year ended April 30, 2012, the three directors of the Fund were Gary Dixon, in his third and final year, Mark Schneider, in his second year, and Jane Lanford, in her first year. Each of the directors serves for a three-year term.

Three students applied for the Hagelbarger scholarship during the Fall 2011 semester. The 2011 applicants all attend the University of Alaska – Fairbanks.

In December 2011 the directors reviewed the scholarship applications and met to decide on awards to be given. The directors decided to award one scholarship of \$2,500. The scholarship recipient was Cindy Castoe, a student at UAF who will graduate in 2013.

The Hagelbarger Fund is invested in various mutual funds in a single account at Edward Jones, with the objective of balanced toward growth. AKCPA member Todd Bauer is our investment representative and periodically reviews the investments with the directors. The directors believe the account's investments are appropriately allocated for the Fund's purpose. The Fund was not immune to the broad market decline during the fall of 2008 and first part of 2009, but the Fund regained significant market value during the following two years. The Fund's performance during the most recent fiscal year was a small loss and was generally in line with investment markets on an overall basis during that period. The fair market value of the Fund as of April 30, 2012, 2011, 2010, and 2009 was \$103,882, \$104,111, \$94,890 and \$74,161, respectively.

Article 10, Section 3 of the Bylaws sets the annual contribution to the Fund at a sum of not less than \$5.00 per member, which gives the Board the flexibility to increase the Hagelbarger component of the member dues in the future to inflation-proof or grow the Fund or increase the dollar amount or quantity of future scholarships. The Fund also received contributions during the most recent fiscal year from the ethics course discussion leader used by the society during the past fiscal year.

The following is a summary of activity of the Fund for the year ended April 30, 2012:

Balance at 4/30/11 - FMV	\$ 104,111
Contributions	3,290
Scholarships awarded	(2,500)
Investment loss (realized & unrealized)	<u>(1,019)</u>
Balance at 4/30/12 - FMV	<u>\$ 103,882</u>

## Portfolio Analysis

Todd E Bauer  
Financial Advisor  
(907) 561-3275

May 22, 20

Prepared for

**ASCPA Hagelbarger**

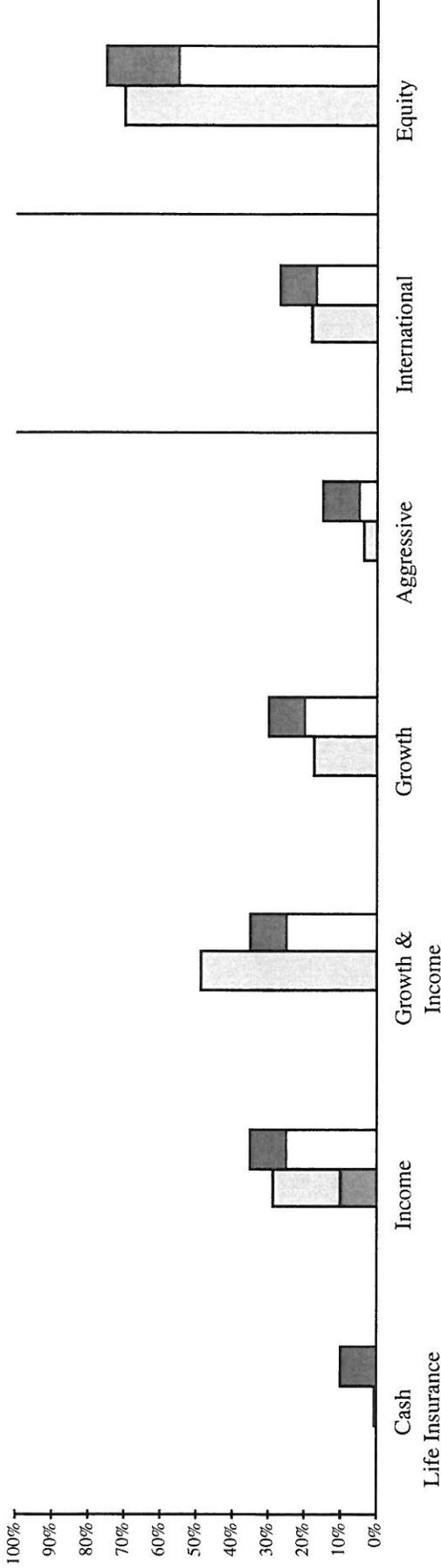
Account Number: 519-10972

**Portfolio: Diversification Bar Chart**

Portfolio Objective: Balanced Toward Growth

Prepared for: ASCPA Hageibarger  
Account Number: 519-10972

Todd E Bauer  
Financial Advisor  
(907) 561-3275



Investment Category	Value	Actual	Suggested Range
Cash and Life Insurance	\$875.23	0.89%	0-10
Income	\$28,666.00	29.00%	25-35
Growth and Income	\$48,080.86	48.65%	25-35
Growth	\$17,277.43	17.48%	20-30
Aggressive	\$3,940.42	3.99%	5-15
<b>Portfolio total</b>	<b>\$98,839.94</b>		
International	\$18,196.02	18.41%	17-27
Equity	\$69,298.71	70.12%	55-75
Aggressive Income (within Income)	\$9,584.53	9.70%	0-10

This asset allocation recommendation is based upon the quarterly meeting of our Investment Policy Advisory Committee. If you would like more information about the committee and its recommendations please ask your Financial Advisor for the Building Your Portfolio Strategy Report. This Portfolio Analysis is not an account statement and is intended for illustrative purposes only. Income projections are based on currently available data. You should not rely on this document to reflect your investment holdings at Edward Jones, nor should you rely on it for cost basis information or to prepare tax returns. To review your investment holdings, please refer to your account statement or AccountLink. Edward Jones assumes no responsibility for vendor and client assets held outside of Edward Jones or for the accuracy of the data relating to those assets. If there are any discrepancies or concerns regarding this report, please call our Client Relations department at 1-800-803-3333 or review your account online at [www.edwardjones.com/accountlink](http://www.edwardjones.com/accountlink).

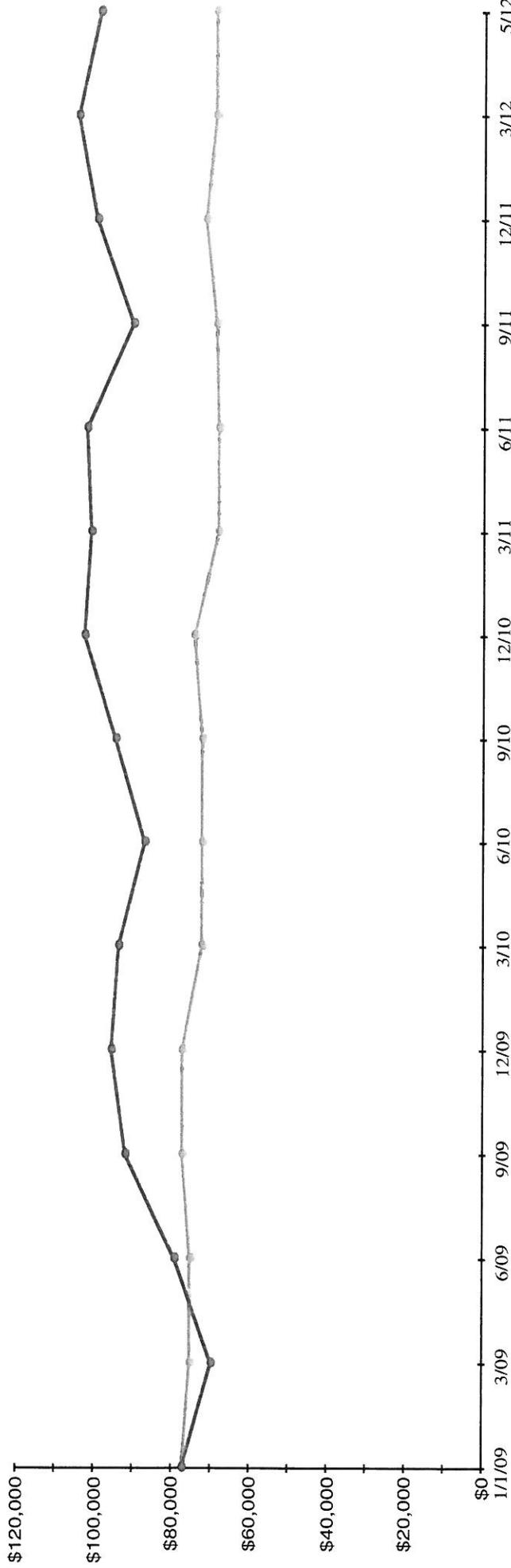
## Portfolio: Performance Summary

Portfolio Objective: Balanced Toward Growth

Prepared for: ASCPA Hagebarger  
 Financial Advisor  
 Account Number: 519-10972

Todd E Bauer  
 Financial Advisor  
 (907) 561-3275

### Assets Held by Jones



### Value Summary

	2012	2011	2010	2009	Since 01-Jan-2009
Beginning Portfolio Value	\$99,620.51	\$102,667.95	\$95,544.17	\$77,219.31	\$77,219.31
Amount Added / Withdrawn from Account	(\$2,500.00)	(\$2,710.00)	(\$2,960.00)	\$95.00	(\$8,075.00)
Total Return (\$)	\$1,719.43	(\$337.44)	\$10,083.78	\$18,229.86	\$29,695.61
<b>Ending Portfolio Value</b>	<b>\$98,839.94</b>	<b>\$99,620.51</b>	<b>\$102,667.95</b>	<b>\$95,544.17</b>	<b>\$98,839.94</b>
Your Personal Rate of Return (Total Return %)	1.77%	-0.34%	11.12%	23.98%	40.88%

All personal rate of return information is as of May 21, 2012.

Please refer to Disclosure Page A "Understanding Your Personal Rate of Return" for Important Information.

## ALASKA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

Report of the Liaison to the Board of Public Accountancy  
For Fiscal Year Ending April 30, 2012

The Board of Public Accountancy (BOPA) meets four times each year, twice in Anchorage and once in Fairbanks and Juneau. As the liaison, I attend the meetings and communicate between our Society Board and the BOPA. During the last year the Board continued its normal business activities of reviewing and approving applications and supporting documents to license Certified Public Accountants, reviewing and approving applications for reinstatements and general permits to practice, approving candidates to sit for the Uniform CPA Examination, and auditing CPE. Disciplinary matters were dealt with in accordance to Alaska State statutes and recently the Board began working with a new investigator. Additionally, in the last year the board has worked to implement the regulatory guidelines for the previously approved statutory changes. Other items of note include:

- The interview process for an Executive Administrator was conducted throughout the year and recently, Cori Hondolero accepted the position.
- Two new board members were appointed to the Board during the year – Karen Brewer-Tarver, CPA from Juneau and Don Wayne, Public Member from Anchorage. Carla Bassler and Elaine Williamson both CPA positions will complete their service in March 2013.
- In January, Jeff Johnson was elected chair of the BOPA and Elaine Williamson continues to serve as Secretary/Treasurer.
- The board members continue to be active in the National Association of State Boards of Accountancy (NASBA) and Carla Bassler, Elaine Williamson, and Jeff Johnson have all been appointed to National committees. The western regional meeting of NASBA will be held in Anchorage in June.
- The BOPA continues to struggle with the issue of travel with the Division and other levels of the State government to ensure necessary travel is approved for the members in attending both BOPA meeting and NASBA meetings.

Alaska Society of Certified Public Accountants  
Accounting & Auditing Committee Report  
April 30, 2012

The Accounting & Auditing Committee is charged with assisting and enabling Alaska CPA's to maintain and improve the quality, competency, and practical application of performing attest services in the state by providing a forum to discuss existing and proposed attest standard and generally accepted accounting principles.

No special projects or objectives were planned for FY 11/12.

Members were encouraged to meet for lunch every other Thursday to discuss technical accounting and auditing questions. We continue to have one to five people come to the lunch-time event in any given month, giving us a greater opportunity to discuss relevant issues.

We welcome any suggestions for topics, as well as suggestions for individuals that may be interested in leading the discussion of a topic they've become familiar with and willing to share their insights.

Respectfully yours,



Cathleen Hahn

**2011-12 Annual Report**  
**ASCPA CPE Committee**  
**By Jacque Briskey, CPA Chair**

The primary objective of the CPE committee is to enable the members of the Alaska Society to develop and maintain high standards of competence by providing a variety of high quality, educational opportunities on a timely basis in convenient locations, and at a fair price.

Specifically, we strive to

1. Select quality courses with quality instructors
2. Provide a mix of A&A, Tax, Governmental and Industry CPE
3. Provide a mix of CPE at varying levels (basic, intermediate or advanced)
4. Break even with CPE revenue and costs

Generally the committee only meets once or twice a year, or sometimes three times if necessary. During those meetings, we review and select courses to offer for the upcoming year. We also review the fees and policies surrounding CPE, and advise the Board and Executive Director of any changes. Anchorage and Fairbanks each hold separate meetings for the initial review and selection of courses. Juneau members also make suggestions for the courses to hold in Southeast.

Linda summarizes the course selections and distributes the list to the committee members for input and changes. She then assembles a proposed schedule of course offerings for final approval by the committee.

We've had an ongoing discussion regarding the ethics CPE offered through the AKCPA. This year, Larry Stein offered to develop an Alaska-specific portion to his ethics course and make it available to us. The committee decided to offer the Stein course in Anchorage and in Fairbanks in an effort to provide another live course option for the required ethics CPE to members. Other courses were also available online, including the course written by Mr. Rigos.

For the past several years, CPE registration has been available on the AKCPA website. The committee is working with the Technology committee to continually improve the functionality of the website for CPE registration and calendar to allow members to better plan their CPE hours.

We continue to offer links to many vendor options for Web-based and self-study CPE on the AKCPA website. We continued to explore the need to publish and promote those more through separate emails since they provide a revenue source for AKCPA and give members options that may better suit their schedules.

The committee also recommended maintaining fees at their current level of \$1,300 for the Season Pass (before \$100 AICPA discount) and \$295 per course for members, as well as continuing to offer 6 full CPE days for the Season Pass. The Early registration discount will remain at \$25 per course for registration by May 15 except for special courses as noted.

And a report to accountants just wouldn't be complete without statistics –

	2010				2009			
	Tax	A&A	Other	Total	Tax	A&A	Other	Total
Anchorage	14	8		22	15	9	3	27
Fairbanks	6	6		12	8	6	2	16
Juneau	1	2	-	3	1	2	1	4
Total	21	16	-	37	24	17	6	47

+ added 1/2 day for Health Care Update in Fbx and Anc

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Regular Registrations	444	618	493	498	521	594	487	527	526
Season Pass Registrations	500	586	532	538	450	416	435	363	331
Total Attendees	944	1,204	1,025	1,036	971	1,010	922	890	857
Season Pass Purchased	78	90	87	87	82	71	75	64	66

	2011			
	Tax	A&A	Other	Total
Anchorage	13	12	2	27
Fairbanks	7	6		13
Juneau	1	3		4
Total Days	21	21	2	44
Cancel 1 Juneau day		1		
		2011		
Regular Registrations	572			
Season Pass Registrations	456			
Total Attendees	1,028			
Season Passes Purchased	74			

Member evaluations of instructors and courses are reviewed, and provide valuable input in the planning process. As always, the committee appreciates any input from members on what types and levels of CPE offered.

Finally, I appreciate all the hard work by the committee members this year.

## ALASKA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

### Ethics/Arbitration Committee Report For Fiscal Year Ending April 30, 2012

Ethics and arbitration receives and monitors ethical complaints and other information of alleged unethical conduct involving our members. The committee also accepts requests for arbitration on alleged violations of the Code of Professional Conduct. Any complaints received were forwarded as appropriate to the Alaska Board of Public Accountancy or the AICPA Ethics Committee. Other small matters (not of an ethical issue, but received by our office) are resolved between related parties without additional referral.

No specific objectives are adopted or meetings held during the year. No special projects were established for the committee. The goal of this committee is to ensure ethical and licensing issues and complaints are followed-up and resolved efficiently.

The committee continues to monitor the progress of cases overseen by the AICPA regarding ASCPA members and provides information to the public as needed regarding the process of filing complaints.

Currently, the AICPA Professional Ethics Division has open cases involving three Alaska CPAs. All are in the work product follow-up stage under a letter of required corrective action. We continue to monitor the progress of the cases involving these CPAs and are in communication with the AICPA Technical Manager assigned to the cases as needed.

AKCPA Committee on Financial Literacy  
Annual Report  
Fiscal Year Ended April 30, 2012

Josh McIntyre, Chair

The Financial Literacy Committee is tasked with promoting financial literacy in our state. The AICPA has provided tools and marketing through its 360 Degrees of Financial Literacy (<http://www.360financialliteracy.org/>), and through its feed the pig campaign (<http://www.feedthepig.org/>). The Alaska Society promotes the 360 Degrees campaign on our website ([http://www.akcpa.org/public/financial\\_literacy](http://www.akcpa.org/public/financial_literacy)).

During the past fiscal year our committee met several times and discussed ideas for promoting financial literacy. We have worked on updating presentations which we will make available for members to use in their practices, and with other organizations. Additionally we have discussed the idea of promoting and presenting financial literacy in conjunction with other organizations that already promote financial literacy in the state.

PRIMARY OBJECTIVES:

Recommend legislative policies and goals to the Board of Directors and take necessary actions to achieve programs approved by the Board.

Develop and maintain a program, compatible with the established policies of the Society, which is designed to protect the integrity of the CPA certificate and provide for the highest level of professional accounting practice to serve the public interest.

SPECIAL PROJECTS:

Gather feedback on the draft regulation regarding use of the CPA designation for CPAs holding an inactive license.

Lobby to prevent wording in legislation that would prohibit the collection of biometric data for the purpose of identifying CPA exam candidates.

ACTIVITIES FOR THE YEAR AND MAJOR ACTIVITIES PLANNED NEXT YEAR

Technical Meetings, seminars, etc.

Lisa Rogers lead a lunch presentation at the Society of CPAs on September 19, 2011 entitled, "Rules We Live By – Changing Regulations on Firm Ownership, and Inactive Licenses. The topics included the proposed regulations related to license mobility and firm ownership, removing redundant language, and inactive license disclosure. We discussed the issues, how the issues are addressed in the Uniform Accountancy Act, what other states have done to address the issues, and how the people in the room felt about the issues. We communicated the issues that needed clarification in the proposed regulations. The draft regulation requiring use of the "inactive" designation had not yet been proposed; and we informed the Board of Public Accountancy that there was no consensus as to how we should move forward on that issue.

Articles, publications, etc. –

Lisa Rogers wrote an article for the Society's August 2011 newsletter entitled, "Inactive CPA Licenses," discussing provisions for inactive licenses in Alaska statutes and regulations as compared to the Uniform Accountancy Act (UAA) and requesting feedback from the membership on whether Alaska should conform to UAA. The feedback received from this article was both in favor and opposed to requiring the use of the term "inactive" along with the CPA designation for those CPAs holding an inactive license.

Long-range projects completed or in-process

SB 98 addressed the issue of Collection of Biometric Information. The bill was introduced in the 2011 legislative session, passed the Senate unanimously, was referred to the house, and reappeared in the 2012 session. However, many of the provisions in the bill were problematic. The provision that was most troubling to the CPA profession was a provision that would have prohibited the collection of biometric data as identification for the Uniform CPA Examination. NASBA and Prometric had already indicated that, if these provisions were enacted, they would recommend that the Uniform CPA exam not be administered in Alaska because the collection of biometric information in the form of a finger scan was essential to positively identifying candidates. Max Mertz and Lisa Rogers requested that Linda Plimpton, Executive Director, send an email alert to the entire membership requesting that members contact their

Alaska Society of CPAs  
Political Action Committee  
For Fiscal Year Ending April 30, 2012

The members of the Alaska Society of CPAs Political Action Committee (PAC) are all the members of the Society's legislative committee and any other interested persons. The PAC is incorporated in the State of Alaska and is a separate legal entity from the Alaska Society of CPAs. The officers are as follows:

President – Mike Cook, CPA  
Treasurer – Lisa M. Rogers, CPA  
Secretary – Stephen Sheaffer, CPA

The Political Action Committee reports to the Alaska Public Offices Committee on a year that ends on January 31, as required by law. The Committee also files federal form 1120-POL. All reports were filed timely.

The committee met on June 21, 2011 when it reelected officers and discussed the coming years' activities. Mike Cook wrote the letter sent to Society members in September 2011 asking for donations from which there was a good response.

Following is a summary of the cash balances, receipts, and disbursements:

Beginning Cash, May 1, 2011	\$	7,644
Interest income		4
Contribution income		1,250
Business license		<u>(50)</u>
Ending Cash, April 30, 2011	\$	<u>8,848</u>

There were no donations to legislative or other candidates in 2011 because the committee was not participating in any elections that were held that year. State elections are held in even-numbered years.

The committee plans meet after the August 2012 primary to determine donations, especially to legislative candidates.

Respectfully submitted,

Mike Cook, CPA  
May 18, 2012

## ALASKA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

### Management of an Accounting Practice Committee Report For Fiscal Year Ending April 30, 2012

1. What is MAP? It's a committee formed by the Alaska Society of CPA's to:
  - Aid members in improving their ability to deal with the management of their practice.
  - Identify and study problems relating to the management of an accounting practice, and to assist members in the effective management of their professional firms.
2. The MAP Committee's objective during the year was to meet at least monthly at breakfast to discuss current issues that affected CPA firm owners and managers and to provide a forum and network for owners and managers to discuss specific issues affecting their practices.
3. Meeting Topics:
  - **June 2011:** Big GAAP/Little GAAP
  - **July 2011:** I Survived the Busy Season!: What Worked and What I Definitely need to do Different.
  - **August 2011:** Security in the Office: I Have to Lockup What!?
  - **September 2011:** Corporate Deadlines; What worked, what didn't.
  - **October 2011:** Open Forum
  - **November 2011:** Tax Engagement Letters & Checklists
  - **December 2011:** No meeting
  - **January 2012:** Open Forum
  - **February 2012:** What happens to my Practice if something happens to me?
  - **March 2012:** What's Going on in my Practice that's driving me crazy during tax season.
  - **April 2012:** No Meeting
  - **May 2012:** Open Forum; Research Tools.
4. Activities for the year and major activities planned for the next year.

The Committee will continue with the monthly meetings and providing a forum and networking system for owners and managers of firms.
5. The Committee has no carryover items into the next year.
6. The Committee recommends to changes in scope size or name.

Respectfully submitted, Leslie Schmitz, Chair

2011-2012 Annual Report  
AKCPA Meetings Committee  
By Jacque Briskey and Rebecca Martin, Co-Chairs

The stated objective of the Meetings Committee is to produce and coordinate all activities necessary for the accomplishment of the AKCPA monthly luncheon and plan and promote the AKCPA Annual Business Meeting.

The Anchorage monthly meetings afford members an opportunity to gather and commiserate with one another. We enjoy it so much, many Anchorage CPAs attended every two weeks our "CPA Wine and Whine" informal social meetings in Anchorage, which was chaired last year by Cathleen Hahn.

In addition, periodic brown bag meetings were held in Fairbanks. During the meetings, attendees discussed various tax, accounting and audit issues. These informal gatherings seem to be well received by the membership in the Fairbanks community. In March 2011, Fairbanks CPAs attend a luncheon presented by Don Krohn, an FNBA Security Officer. HE discussed fraud and fraud prevention techniques for businesses.

This year in Anchorage, our schedule included topics to enrich our knowledge and our social lives. The monthly meeting topics in Anchorage included -

- "Private vs. Public GAAP" (Qualified for 1 CPE credit)  
by Members - Don Rulien and Paul Brandon
- "Rules We Live by - Changing Regulations on Firm Ownership and Inactive Licenses" by Member - Lisa Rogers
- "Alaska State Board of Accountancy Update"  
by Member - Carla Bassler, Chair of the AK State Board of Accountancy
- "2011 Deaths and Form 706" (Qualified for 1 CPE credit)  
Via web presentation by Robert Keebler, CPA, MST, AEP, sponsor-Susan Foley
- "National Trends in Healthcare Benefits"  
by Joshua Weinstein and Tiffany Stock, Northrim Benefits Group
- "CPAs and Property Tax Assessment"  
by Marty McGee, MOA Assessor, Janet Simpson, Personal Property Section Supervisor, and Jerry Wedelich, Deputy Assessor

The AKCPA meetings are a great opportunity to network with others in our profession, as well as keep up to date on business topics of interest and have a little fun. Please join us for our next meeting!

Relations with Education Committee Report  
For year ending April 30, 2012

Every year, the Society donates \$1,000 to the student accounting organizations at University of Alaska Fairbanks and University of Alaska Anchorage. This spring, Marja Beltrami presented the check to the UAA organization at their spring social. There were about 80 people in attendance. During the past year, Janet Younger had the privilege of speaking at a local high school (Bartlett) and at UAA. At Bartlett, she spoke with Stasia Straley, Assistant Professor UAA and Relations with Education committee member, to about 6 high school accounting classes. They were asked to speak about the various roles of a CPA and the variety of jobs available in the accounting field. In addition to the high school, Janet spoke to different accounting classes at UAA to give them some real-world exposure to a CPA. She also spoke to the two-year program participants and related how a 4-year degree has benefited me.

The UAF organization had several networking opportunities with the Society members. In the fall, they held a professional development day at which CPAs from Fairbanks and Anchorage attended. There was a seminar that included a panel of professionals (including our president Bethe Davis) from the public accounting field and a presentation on dinner and business etiquette. The evening ended with a dinner to which all of the Fairbanks Society members were invited. There were about 50 students and professionals there. It was very successful and the students really liked it. In the spring, the organization hosted two events – the Spring Etiquette Seminar and Dinner and the UAF Accounting Awards Ceremony. At the Spring Etiquette Seminar and Dinner, the students listened to presentations and round-robin discussion about etiquette and networking issues from CPAs and members of the Fairbanks business community. At the awards ceremony, Bethe Davis presented the Society check to the organization's president. There were about 70 people in attendance – students and Society members.

As we are aware, Senate Bill 98 was a big issue at the end of the year for Alaska CPAs. At UAF, we asked students to contact their representatives and the representatives on the respective committees. Many students responded and sent emails. They were very concerned about the possibility of the CPA exam being taken out of Alaska. This is another example of the students being connected to the Society and the CPA profession. They are willing to be a part of their profession. We need to encourage them and give them opportunities.

The student organizations are the best way for the Society to stay connected with the universities. The organizations have regular meetings for which they are always looking for speakers. This is an opportunity for Society members to share with the students their path to accounting, why they love what they do and why it is so important to give back to the profession. The meetings are usually short so they do not require a great deal of time but what a great way to get to know our future!

Submitted by: Amy Cooper  
Date: May 7, 2012

# ALASKA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

## Taxation Committee

### Report For Fiscal Year Ending April 30, 2012

1. The stated objectives of the tax committee are to assist members in maintaining and expanding their professional competence, to maintain liaison with Alaska members of Congress, the Alaska legislature, the Internal Revenue Service, appropriate state and local taxing authorities and the AICPA Federal Taxation Division to work for needed reforms in tax legislation, and to review existing and proposed legislation and regulations and initiate action as required.

2. The taxation committee has an ongoing responsibility of monitoring proposed tax legislation in the State legislature and standing ready to suggest improvements in design and implementation should the Legislature seriously consider changes to the corporate tax system or adoption of any new tax measure such as an income tax or sales tax.

3. The taxation committee consisted of John Rodgers, Chair and Board Liaison, Kim Aasand, Thomas Hartshorn, Rebecca Martin, Kevin Branson, Mark Schneider, Cynthia Coulter, Therese Sharp, Lisa Rogers.

#### 4. Summary of Activities:

a. The Legislator's Tax Guide was updated for 2011 by John Rodgers and was provided to the Legislature with help of Linda Plimpton. The Accountable Plan Guidelines for the State legislature was also reviewed.

b. The IRS/CPA Liaison Subcommittee met with IRS again twice this year and provided a report in the Society newsletter. Chairperson Therese Sharp, along with Karen Ague, Kevin Branson, Erich Lamirand, Robert Rehfeld, John Rodgers and Lisa Rogers solicited questions and issues from the Society membership to discuss with IRS representatives. The committee appreciates the input of the Society members who contributed issues. The next meeting will probably be in November 2012 so please use this as a reminder to call a committee member if you have a problem that is frustrating, unusual or which you think may be systemic in nature. Thank you to Therese for her continued efforts in running this committee and meetings.

c. Alaska was represented at the National IRS/CPA Liaison meeting by John Rodgers and Kevin Walsh. Registration of tax preparers were among the topics discussed and the FBAR requirements.

d. The Anchorage Tax Committee Roundtable met frequently to discuss items of mutual interest. Thank you to Joan Henry for taking the lead in organizing these meetings.

e. Nina Olsen, IRS National Taxpayer Advocate was a guest speaker of the NSA National Society of Accountants Convention held in Anchorage in August. John Rodgers and other AK Society members attended her presentation which covered topics including IRS correspondence and telephone management problems, shrinking budgets and problems updating IRS computers.

#### 4. Activities planned for the next year.

a. The Legislator's Tax Guide will be updated as usual.

b. As mentioned above, the IRS/CPA Liaison Committee will meet with IRS this fall. Please forward your questions or problems to a committee member soon!

c. The Society will be represented at the National IRS/CPA Liaison Meeting in November/December. If you have issues or problems at the Service Center or national level, please contact John Rodgers or Therese Sharp.

d. The Tax Committee Roundtable brown bag lunch meetings will continue to be held at the Society office in Anchorage every other Tuesday. If you would like to be involved in organizing these, please contact Linda Plimpton or Joan Henry.

e. The Committee will continue to monitor tax related legislation introduced in the Alaska legislature.

Best regards,

John Rodgers, Chair