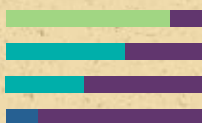


COVID-19 A BLACK SWAN OR GRAY RHINO?



HOW THE
TAX LANDSCAPE
HAS CHANGED

COVID-19
AND FINANCIAL
REPORTING



THE
OHIO SOCIETY
OF CPAs
ADVANCING THE STATE OF BUSINESS

2020 is the year for **GROWTH**

We're bringing the same great thought leaders to the virtual stage. Join us online to ask your questions and forge new and meaningful connections! We've amped up the virtual experience, so commute to your living room, connect to WiFi and earn the CPE you need to satisfy your professional standards.

Accounting Shows

Access a variety of topics from general updates to specialized content at these two-day, multi-track events offering up to 16 hours of CPE. Feel free to choose the city that works best with your schedule.

Date	Title
8/19 – 8/20	Dayton Accounting Show
9/23 – 9/24	Cincinnati Accounting Show
10/21 – 10/22	Cleveland Accounting Show
11/5 – 11/6	Columbus Accounting Show

Fall Core Conference

Gain awareness and applicability of updates and significant changes at this single-day, multi-track event offering up to 8 hours of CPE.

Date	Title
12/10	Fall CPE Virtual Conference

Sector Events

Get the targeted learning you need specific to complex practice areas and specialized industries.

Date	Title
6/23	Not-for-Profit Conference
8/27	Financial Institutions Conference
10/28	Health Care Conference
10/26 – 10/27 (Columbus & webcast) 10/28 – 10/29 (Cleveland) 11/11 – 11/12 (Cincinnati)	Business Entity Tax Tune-Up (in-person option available)
10/28 – 10/29 (Cincinnati) 11/9 – 11/10 (Columbus & webcast) 11/11 – 11/12 (Cleveland)	Individual Tax Tune-Up (in-person option available)
12/14 – 12/15	MEGA Tax Conference
12/17	Fraud and Forensic Accounting Conference

For a full event schedule, visit



ohiocpa.com/GROW

We miss seeing your faces and can't wait for the day when we can learn together in-person again!

CONTENTS

MAY | JUNE 2020

feature



22 COVID-19 – A black swan or gray rhino?

Looking at the red flags that determine the degree to which the coronavirus pandemic is a rare event.

in depth

2 CEO letter

3 Self-assessment exam

The exam is now free for members!

4 OSCP advocates for profession during pandemic

From testifying at the Statehouse to a letter writing campaign, OSCP continues to advocate for its members.

6 COVID-19 and financial reporting

Responses of regulators and standard setters continue to evolve.

12 How the coronavirus has impacted the tax landscape

A look at some of the federal, state and local tax changes over the past few months.

16 COVID-19 Response: Forget the math of the moment—double down on relationships

In light of the pandemic, it might be time to revise your business model.

26 Effective leadership in our new normal

Leadership is key to coming out of the current climate stronger and more prepared than ever.

28 Q&A: Meet Margaret D. Finley, OSCP Diversity and Inclusion Strategist

Finley describes herself as a "diversity and inclusion enthusiast," and is prepared to contribute to OSCP's continued impact in the D+I space.



Volume 12, Issue 3

MANAGING EDITOR:

Gary Hunt, CAE – ghunt@ohiocpa.com

EDITOR:

Jessica Salerno – jsalerno@ohiocpa.com

GRAPHIC DESIGN:

Kyle Anderson – kanderson@ohiocpa.com

EDITORIAL OFFICES

CPA Voice

4249 Easton Way, Suite 150

Columbus, OH 43219

Tel: 614.764.2727

Email: CPAVoice@ohiocpa.com

Website: ohiocpa.com

ADVERTISING

For our display advertising rates or a copy of our media kit, contact us at sales@ohiocpa.com or by calling 614.764.2727.

ARTICLE SUBMISSIONS

We welcome submissions of analytical articles on issues relevant to Ohio CPAs. Desired length is 800-1200 words. Send an electronic copy with a cover letter to the editor at the email address above. Please note that *CPA Voice* is not a peer-reviewed journal.

SUBSCRIPTIONS/CIRCULATION

Members of The Ohio Society of CPAs receive *CPA Voice* as a member benefit.

Nonmembers may subscribe for \$39.95 annually. To update your mailing address or to subscribe to *CPA Voice*, contact your Member Service Center at 614.764.2727.

REPRINTS

To order reprints of *CPA Voice* articles, or for reprint permission, contact the editor at the address above.

CPA Voice is the official magazine of The Ohio Society of Certified Public Accountants. CPA Voice's purpose is to serve as the primary news and information vehicle for the more than 22,000+ Ohio CPA members and professional affiliates. Articles are reviewed for technical accuracy. However, the materials and information contained within CPA Voice are offered as information only and not as practice, financial, accounting, legal or other professional advice. While we strive to present accurate and reliable information, The Ohio Society of CPAs makes no warranties regarding the accuracy of the information provided herein. Readers are strongly encouraged to conduct appropriate research to determine the accuracy of the information provided and to consult with an appropriate, competent professional adviser before acting on the information contained in this publication. The statements of fact, thoughts, advice and opinions expressed in CPA Voice are those of the authors alone and do not represent or imply the positions, opinions, nor endorsement of The Ohio Society of CPAs or of its publisher, editors, Executive Board, or members. It is our policy not to knowingly accept advertising that discriminates on the basis of race, religion, gender, age or origin. The Ohio Society of CPAs reserves the right to reject paid advertising in its sole discretion. We do not necessarily endorse the resources, services or products unrelated to The Ohio Society of CPAs that may appear or be referenced within CPA Voice, and make no representation or warranties about those products or services or the accuracy and claims regarding those products and services. Advertisers and their agencies assume liability for all advertisement content and responsibility for all claims resulting from such advertisements made against The Ohio Society of CPAs.

The Ohio Society of CPAs does not guarantee delivery dates for CPA Voice and disclaims all warranties, express or implied, and assumes no responsibility whatsoever for damages incurred as a result of delivery delays.

CPA Voice (ISSN 0749-8284) is published six times per year by The Ohio Society of CPAs, 4249 Easton Way, Suite 150, Columbus OH 43219, 614.764.2727. Subscription price for non-members: \$39.95.

Copyright © 2020 by The Ohio Society of CPAs; all rights reserved. No part of the contents of CPA Voice may be reproduced by any means or in any form, or incorporated into any information retrieval system without the written consent of CPA Voice. Permission requests may be sent to the editor at the address above. While care will be given to all materials submitted for publication, we do not accept responsibility for unsolicited manuscripts, and they will not be returned unless accompanied by a self-addressed postage prepaid envelope.

Periodicals postage paid at Columbus, OH and at additional mailing offices. POSTMASTER: Send address changes to: CPA Voice, The Ohio Society of CPAs, 4249 Easton Way, Suite 150, Columbus OH 43219.



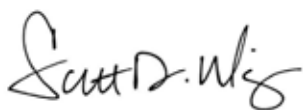
We are here to support you

The world looks very different than my last letter to you in the March/April edition of CPA Voice. You don't need me to tell you how the coronavirus pandemic has altered the way we live our lives, but I do want to make this clear: The Ohio Society of CPAs is here to ensure you and your business survive this time and come out of it stronger.

Along with countless other businesses, we too have pivoted to work efficiently in this remote environment. People are our number one priority and our entire staff has been working from home since early March in accordance with the recommendation from Gov. DeWine and Ohio Health Director Amy Acton. We will not come back into the office until we have a plan that ensures our staff's safety. And given that it looks like many professionals will be working remotely for the foreseeable future, we're going into the rest of 2020 and 2021 with a virtual-first mindset. This means we're continuing to offer you the education and resources you need to be successful, including transitioning our in-person conferences and events to take place virtually.

From the beginning of the pandemic we've advocated for you on the legislative front, from ensuring that accounting was deemed an essential service to extend the state tax filing and payment deadlines to July 15. You can read more about what our advocacy team has done for you on page 4 and know we will continue to work directly with the DeWine Administration and legislature to share expertise on how to help employers.

Advancing the state of business means more than congratulating each other on successes during happy times, it's also fighting and strategizing through the downturns to ensure our economy and the profession continue to survive and thrive. We plan to emerge more nimble and agile from this than ever before, and we know you will, too. Let us know how we can help.



SCOTT D. WILEY
President and CEO

swiley@ohiocpa.com | 614.321.2218 (office) | 614.546.9430 (cell)
Twitter: @ScottDWiley | LinkedIn: www.linkedin.com/in/scottwileycae

Self-Assessment Exam

MAY | JUNE 2020
Product ID: #54453



Log in to **my.ohiocpa.com**, look up the exam using the product ID number above and answer the 12 required questions based on content in CPA Voice.

Costs

Members	Free
Nonmembers	\$40

Exams remain available online – and may be completed for CPE – through the same month of the following calendar year.

Online Instructions

1. Log in to **my.ohiocpa.com**
2. Search "CPA Voice" and then find the appropriate exam.
3. If you're a member, click "Enroll." If you're a nonmember, click "Add to cart" and purchase the exam.
4. On the Confirmation Page click "Go to your learning center."
5. The exam will be available under the "Current" section. Click "Launch."

Self-Assessment Exam Results

Respondents taking the exam online receive their results immediately. Respondents who pass with a grade of 70% or better receive one hour of CPE credit in specialized knowledge, as approved by the Accountancy Board of Ohio.



OSCPA advocates for profession during pandemic

OSCPA staff report

As businesses around the state and country closed in response to the COVID-19 pandemic over recent months, OSCPAs have continued to advocate for its members and the accounting profession.

The Ohio Legislature voted unanimously to give Ohio Tax Commissioner Jeff McClain authority to extend the state tax filing and payment deadlines to July 15 in alignment with the delayed federal deadline OSCPAs advocated for, and the bill was signed into law by Governor Mike DeWine on March 27.

The move was just one provision of House Bill 197, emergency legislation created in response to the COVID-19 pandemic. OSCPAs also successfully advocated for Ohio to extend both the first and second quarter estimated payment deadlines to July 15 – one of the first states to achieve this goal. The federal government had previously only moved the first quarter payment, until announcing additional tax filing and payment relief in Notice 2020-23 on April 9.

Barbara Benton, CAE, the Society's vice president of government relations, said nearly 1,000 members used OSCPAs' online tool to send almost 4,000 messages encouraging elected officials to move the income tax deadlines and recognize accounting as an essential service in Ohio's stay-at-home executive order – the second priority identified

by OSCPAs members and leadership. Furthermore, OSCPAs members in 70 of Ohio's 88 counties sent messages.

"This has been a great way for our members to personally influence public policy," Benton said. "Their involvement has been invaluable, and they should know that we are continuing to advocate on their behalf on key business and professional licensure issues so they can focus on their businesses during this difficult time."

Once state deadlines were secured, OSCPAs turned its attention to the municipal income tax. For individuals, the municipal income tax due dates are tied to the state filing deadline under R.C. 718.05(G)(1)(a). The Ohio Society of CPAs also encouraged cities to grant local extensions for the net profits tax. Finally, since many employees are currently working from home, H.B. 197 requires employers to continue municipal income tax withholding to the employee's principal place of work (despite the "20-day rule") during the emergency period, and for 30 days thereafter.

When attention turned to the next phase of the coronavirus, OSCPAs testified on April 15 before the Ohio 2020 Economic Recovery Task Force to promote economic recovery in the wake of the pandemic. John Venturella, CPA, J.D., shareholder with the Dayton

office of Clark Schaefer Hackett and past Executive Board chair, represented OSCPAs at the virtual hearing of 24 House members. In his testimony, Venturella told legislators OSCPAs solicited the input from CPAs across Ohio to develop suggestions on how to help Ohio job providers. The goal was to share suggestions on how state government could quickly make changes to aid the Ohio business community in continuing operations and keeping employees on the payroll.

OSCPAs also secured the incorporation into Ohio tax law of certain recent changes to the Internal Revenue Code and other federal law taking effect after March 30, 2018 through March 27, 2020. Finally, OSCPAs worked with the Accountancy Board of Ohio to ensure impacted CPA candidates did not lose credit while testing centers are closed by extending the 18-month window, and to address peer review timing challenges.

OSCPAs will continue to work directly with the DeWine Administration and legislature throughout the pandemic to share expertise on how to help employers survive through the stay-at-home order and recover as the crisis lifts.

If you have thoughts to share with the Government Relations team, email government@ohiocpa.com.

Want a voice at the Ohio Statehouse?



Ensure your voice is heard loud and clear in state government. Give to Ohio CPA/PAC. With every donation, our government relations team's voice at the Statehouse resonates with the legislators who can help us effect change and advance the state of business in Ohio.

Your PAC contribution helps:

- Protect and promote the CPA designation you worked so hard to achieve
- Limit tax expansion
- Cut regulatory red tape
- Secure a competitive business environment in Ohio
- Elect state legislators who share your professional interests

Let's make our voice even louder this year!

To donate, visit



ohiocpa.com/PAC

or call **614.764.2727**

PAC contributions are not tax deductible per Ohio law.

CELEBRATING

18
YEARS

OF COST SEGREGATION

2002-2020

ACCELERATE DEPRECIATION AND
SHIELD INCOME TAXES **NOW**



- Cost Segregation
- Energy Efficiency Certifications (179D)
- New IRS Repair v. Capitalization

DUFFY **D+D** DUFFY
COST SEGREGATION
SERVICES, INC.
Engineering-based Cost Segregation Studies



DUFFY **D+D** DUFFY
ENERGY TAX SAVINGS

Call **Craig Miller**

Cleveland **440.892.3339** / Columbus **614.949.4185**
Detroit **248.752.7433** / www.costsegexperts.com

THE REGION'S LEADING INCOME TAX REDUCTION EXPERTS

accounting & auditing

COVID-19 and financial reporting

By Laura Hay, CPA, CAE



The novel coronavirus (COVID-19) pandemic is firstly a health and safety challenge for the people of the world.

As governments provide measures to assist disrupted people and businesses, the transparency of information will be key to regaining trust for economic recovery. Responses of regulators and standard setters continue to evolve. Here's the status of some significant actions at the time of this publication:

Deferral of CECL

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), signed into law on March 27, provided optional temporary relief from applying the FASB's current expected credit losses standard (CECL) for insured depository institutions under FDIC and credit unions regulated by NCUA. Qualifying entities are not required to comply with CECL until the earlier of the termination date of the national emergency declared by President Trump related to COVID-19 or Dec. 31, 2020.

Admittedly, we are in a tough economic climate for implementing new credit loss estimates. But if, as we all hope, this national emergency is largely over by the end of the year, financial institutions could be required to account for portions of the year under differing models or restate prior periods.

SEC extensions

On March 25, the SEC issued an order extending filing relief, stating that public companies unable to meet filing deadlines due to COVID-19-related circumstances would have an additional 45 days to submit 10-Qs and other required disclosure reporting that would otherwise have been due between March 1 and July 1, 2020.

In addition:

- The SEC is delaying some enforcement actions.
- The SEC encourages firms and preparers to talk to commission staff if audits can't be completed on time, stating it would consider waiving filing deadlines if necessary.
- They are allowing comment letters to be submitted after the comment period closing for certain pending actions, including the Auditor Independence Rule.

PCAOB inspection relief

On March 18, the PCAOB announced that it is providing audit firms up to a 45-day relief period from inspections. Audit firms wishing to utilize the 45-day relief period should contact their designated inspections point of contact. Inspections are anticipated to resume beginning May 11, 2020.

FASB deferrals

At its April 8 meeting, the FASB discussed effective date deferral requests for significant standards not yet effective, and the sunset date for reference rate reform. The FASB added a project to its technical agenda to consider delaying the effective dates of its standards on lease accounting for





non-public entities, and revenue recognition for franchisors that are not public entities. The FASB also issued interpretive guidance related to priority issues, including troubled debt restructurings and lease modifications, including:

- Lease modifications – Lease concessions related to the effects of COVID-19 may be accounted for as though the enforceable rights and obligations for those concessions existed, regardless of whether those enforceable rights and obligations for the concessions explicitly exist in the contract.
- Interest income – Institutions would not be precluded from recognizing effective interest income during a COVID-19-related “interest holiday.”
- Hedging – Delays in timing of forecasted transactions related to COVID-19 may be considered rare cases caused by extenuating circumstances outside the control or influence of the entity, that would allow the entity to disregard the timing restrictions otherwise applicable to the forecasted transaction.
- Fair value – The FASB reminded constituents that guidance already exists for measuring fair value when the volume or level of activity for an asset or a liability has significantly decreased and provides guidance on identifying transactions that are not orderly.

Accounting standards

Some of the most common financial reporting considerations resulting from the COVID-19 environment include subsequent events, asset impairments and going concern assessments. Further discussion of these items and others are included in the AICPA Center for Plain English Accounting’s “Consequences of COVID-19 Financial Reporting Considerations.” Some brief comments on these and other key standards impacted by the current environment include:

Subsequent events

Entities will need to consider whether events with financial statement impact occurred before the date of the financial statements to determine whether information needs to be recognized in the financial statements or disclosed as a subsequent event. Impact on future revenues, losses in market value of assets, supply disruptions and other economic uncertainties are likely to be significant enough to require disclosure to prevent the financial statements from being misleading.

Asset impairment

Asset impairment models for GAAP vary based on the type of asset being assessed. Asset impairment considerations may apply to receivables, inventory, contract assets, financial instruments, intangibles, PP&E and deferred tax assets.

ASC Topic 350, *Intangibles—Goodwill and Other*, requires entities to perform an impairment test of goodwill at least annually, or more frequently if an event occurs that indicates it is more likely than not that an impairment has occurred. Entities will need to evaluate whether the effects of the pandemic trigger the need for an interim impairment test.

Triggering events for other types of assets include changes in the planned use of an asset for PP&E, affecting the recoverability of the carry amount of the asset. Disrupted supply chains or decreased customer demand are examples of events that might decrease the net realizable value of inventory. Inventory cost allocation methods might also be impacted by decreased production levels. Lease classification might be affected by changes in lease terms.

Going concern

ASC Subtopic 205-40, *Presentation of Financial Statements—Going Concern*, requires management to evaluate whether there is significant doubt about the entity’s ability to continue as a going concern for one year after the date the financial statements are issued.



Join us for our 2nd annual

Women, Wealth & Wellness Conference

Come to be empowered. Stay to get connected.



Opening Keynote

Katie Smith, WNBA Coach
3-time Olympic Gold Medalist
NCAA Champion
Former OSU basketball player



Closing Keynote

Helen C. Sharkey
Low Man on the Totem Pole –
How I Became a White
Collar Criminal

July 23, 2020 | 8:00 a.m. – 3:45 p.m. | Product #53979 | Networking event will follow

Sponsors

Empowered by



Key4Women®
Advocate | Connect | Empower



Are your clients claiming the R&D Tax Credit?

In addition to providing credit study services, TCG also offers credit assessments to clients already claiming the credit. This service provides insight into missed opportunities and audit risks including:

Missed Opportunities

- Failing to claim all eligible activity
- Failing to utilize the optimal calculation methodology
- Failing to capture all available qualified research expenditures

Areas of Risk

- Insufficient documentation to substantiate the credit claimed
- Unsubstantiated base amount calculation
- Inclusion of non-eligible expenses and misclassification of expenses
- Erroneous return elections

Don't wait for an IRS auditor to uncover weaknesses in your client's R&D credit. Get peace of mind that their credit is sound.

TG TAX CREDITS GROUP, LLC
R&D Tax Credit Services

(440) 331-0714
info@taxcreditsgroup.com
www.taxcreditsgroup.com

Park West Tower
20545 Center Ride Rd., Suite 43
Cleveland, OH 44116

R&D doesn't have to be rocket science.



This evaluation is based on events that are known and reasonably knowable as of the date the financial statements are issued. Entities will need to evaluate the effects of COVID-19 on their ability to continue as a going concern prior to issuance.

Other considerations

- Risk and uncertainties disclosures – the effects of the pandemic will likely affect accounting estimates and exposure to concentrations of risk.
- Revenue from contracts with customers – are rights and obligations under contracts with customers still enforceable as circumstances continue to change? Estimates for variable consideration might also need to be reassessed.
- Contingent liabilities – are all liabilities recorded and properly presented?
- Employee benefit obligations – are there any changes to actuarial valuations for defined benefit liabilities, or in estimates used to calculate share-based payments?
- Debt modifications and loan covenants – have any changes been negotiated in loans or leases that result in a debt modification, debt extinguishment, change in lease recognition or a troubled debt restructuring?

- Financial model risk – financial forecast models might not be designed to perform well in extreme or highly volatile conditions. In addition, historical correlations might no longer be relevant.
- Internal controls over financial reporting – have any significant internal controls been disrupted by changes in business operations?

The list above is not all-inclusive of potentially significant accounting and disclosure implications of the present environment. The pandemic has created significant disruption and uncertainty affecting accounting and financial reporting. Stay tuned to all our communication channels as the profession and standard setters continue to respond and issue new guidance to bring clarity to this complex environment.



Laura Hay, CPA, CAE is executive vice president of The Ohio Society of CPAs and staff liaison to the Accounting Auditing Committees. She can be reached at Lhay@ohiocpa.com or 614.321.2241.

FAST FACTS

1. The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), provides optional temporary relief from applying the FASB’s current expected credit losses standard for insured depository institutions under FDIC and credit unions regulated by NCUA.
2. The SEC encourages firms and preparers to talk to commission staff if audits can’t be completed on time, stating it would consider waiving filing deadlines if necessary.
3. Some of the most common financial reporting considerations resulting from the COVID-19 environment include subsequent events, asset impairments and going concern assessments.



PAY CPA

POWERING PAYMENTS
FOR ACCOUNTING PROFESSIONALS

CPACHARGE
AN AFFINIPAY SOLUTION

THE WAY CPAs GET PAID

CPACharge is specifically designed to help CPAs, enrolled agents, and accountants accept credit, debit, and eCheck payments from their clients.

As the ability to accept payments digitally becomes a critical piece of your practice, CPACharge provides the most proven solution for your firm. We are trusted by over 150,000 professionals and a vetted member program through 30+ state CPA societies and the AICPA.

Affordable and easy-to-use, CPACharge exceeds standards for internet security and PCI Level 1 compliance. In addition, there are no long-term contracts or setup fees to get started. Your firm benefits from simplified reporting and reconciliation created specifically for how financial professionals run their offices. CPACharge has the right features and functionality needed to help ensure your firm's success.



OSCPA MEMBERS CAN VISIT:
cpacharge.com/ohiocpa
866-472-4761

PAYMENT DETAIL

\$ 1,000

Client Name

Roy Smith

Invoice

1214

VISA



AM
EX



POWERED BY
CPACHARGE

eCheck

DISCOVER

Pay CPA

tax

developments

How the coronavirus has impacted the tax landscape

By Adam Garn, CPA, JD, MT and Stephen Palmer, CPA



As the Grateful Dead said: "What a long, strange trip it's been." This phrase seems to be the perfect explanation for the 2020 tax season.

As a result of the COVID-19 pandemic, tax season was transformed as individuals transitioned to working remotely almost overnight. The focus of this article is to highlight some of the federal, state and local tax legislative changes affecting Ohio taxpayers as a result of the pandemic. This article is current as of May 6, 2020, and information included here should be confirmed to determine if any changes have been made.

Federal Changes

To date, there have been two bills enacted to assist with the COVID-19 pandemic. The Families First Coronavirus Response Act (FFCRA) was signed into law on March 18, 2020 and was supplemented by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which was signed into law on March 27.

Business Interest Expense

Under tax reform passed in 2017, IRC Section 163(j) was rewritten to limit business interest expense to 30% of adjusted taxable income (ATI). Under the CARES Act, the limitation was increased to 50% of ATI in 2019 and 2020 for C corporations and S corporations. Therefore, corporate taxpayers that have interest expense being limited under this provision, additional deductions may be available. To the extent ATI in 2020 is less than 2019, 2019 ATI may be used in 2020 for purposes of calculating the 50% limitation.

While this change takes effect in 2019 for corporations, the impact to partnerships is slightly different. Partnerships will still use the 30% of ATI limitation for 2019 with the 50% limitation applying to 2020. However, 50% of excess business interest expense generated in 2019 is able to be deducted on partners' returns in 2020 without application of the ATI limitation on top of otherwise deductible business interest. Similar to corporate taxpayers, partnerships have the ability to use 2019 ATI to the extent it is greater than 2020 ATI for purposes of determining the 50% limitation in 2020.

If you or your company was limited or expected to be limited by the provisions under IRC Section 163(j), you should recalculate your 2019 extension payment to determine if a reduced payment may be possible when the deferred payment due date arrives on July 15.

Federal Payroll Tax Relief

The payroll tax relief for the legislation includes:

- **Employee retention credit:** A maximum \$5,000 per employee refundable payroll tax credit for certain employers that retain employees. To be eligible the entity's operations must be fully or partially suspended or for businesses, there must be a greater than 50% reduction in gross receipts for a calendar quarter when comparing the calendar quarter in the previous year.
- **Employer payroll tax deferrals:** Employers may defer an unlimited amount of employer Social Security taxes until Dec. 31, 2020. Half of the amounts deferred are to be repaid by Dec. 31, 2021, and the remaining amount is due by Dec. 31, 2022. It is important to note the interaction between the employer payroll tax deferrals and loan forgiveness under the Payroll Protection Program (PPP). Employers that have applied or received funds under the PPP may utilize the deferral up until the point they receive notice of loan forgiveness from their PPP lender. Half of any amounts deferred up to that receipt of notice of PPP loan forgiveness are due by Dec. 31, 2021, and the remaining is due by December 31, 2022.
- **Payroll credit for required sick leave:** A refundable payroll tax credit equal to any payments of the new required sick leave.
- **Payroll credit for required family leave:** A refundable payroll tax credit equal to any payments of the new required family leave.

Each credit has complexities and requires an analysis as to the benefit of each program as well as other limitations that may apply such as eligibility for other programs.

Net Operating Loss & Excess Business Loss

Under tax reform passed in 2017, Net Operating Losses (NOLs) were not eligible to be carried back for federal purposes, and Excess Business Losses (EBLs) generated by noncorporate taxpayers (losses in excess of \$250K or \$500K) were required to be carried forward. However, under the CARES Act, NOLs created in 2018, 2019, and 2020 can be carried back to the 5 years preceding the loss year. In addition, the CARES Act removed the EBL limitation for years prior to 2021. No change was made to the sunset of the EBL limitation after 2025. The 80% loss limitation was also removed for tax years prior to 2021. This limitation generally limits loss carryforwards to 80% of the taxable income in the year utilized. By removing this limitation, losses can offset up to 100% of the income in the year utilized. These changes have the potential to create permanent tax savings by carrying back losses to 2017 or earlier.

Taxpayers should review losses generated in 2018 and 2019 (and projected 2020 losses) to see what cash or permanent tax savings could be generated by filing a refund claim/amended return. Consideration should be given to whether a carry-back will trigger any negative impacts. For example, carry-backs may not actually generate cash flow if a pass-through entity owner's basis would be reduced below zero upon carry-back of an EBL.

Qualified Improvement Property

Qualified Improvement Property (QIP) was inadvertently excluded from bonus depreciation treatment in the 2017 tax reform and reverted back to a 39-year life recovery period. The CARES Act corrects this drafting error by allowing QIP to now be eligible for bonus depreciation or a 15-year recovery if bonus depreciation is not taken. This change is retroactive back to assets placed in service January 1, 2018 and after. Note that it is not retroactive to the original tax reform effective date for depreciation changes of September 2017.

Businesses should revisit depreciation projections for when QIP was purchased. The impact could have a considerable taxable income especially if bonus can be taken. Note that, while this change is not retroactive to 2017, coupled with the NOL changes, this QIP fix could result in shifting deductions into higher tax rate periods via NOL carrybacks.

State and Local Changes

Economic Development Incentives

In Ohio, JobsOhio and DSA have been working to enhance their economic development programs. In some cases, the programs have had relief provided to existing incentive holders regarding their compliance requirements. In addition, funds have been made available through JobsOhio, its six regional network partners, and industry partnerships. Many changes and enhancements have focused on providing liquidity for businesses including small businesses. Examples include the Innovation Fund, Rapid Development Initiative, and deferral of loan payments. For businesses that have existing incentives, JobsOhio is actively working with them to make adjustments. Changes are made frequently. For more details to Ohio programs, see a summary of updates at this web page: www.jobsohio.com/ohio-safe-ohio-working/.

Ohio and Municipal Taxes

On March 27, Governor DeWine signed Am. Sub. House Bill 197 which authorized the Ohio Tax Commissioner to extend certain returns as well as waive interest. Shortly after the bill was signed by the Governor, the Tax Commissioner announced that certain returns were extended. At this time, no extension has been provided for the Commercial Activities Tax, Financial Institutions Tax, excise, sales or use, or employer withholding taxes.

In frequently asked questions guidance on the Department's website, the Department extended due dates to file petitions for reassessment and refund claims. Pursuant to uncodified section 22 of Am. Sub. HB 197, the statute of limitations for a petition for reassessment or refund claim set to expire between March 9 and the end of the Governor's COVID-19 emergency declaration (or July 30, 2020, whichever is earlier) is tolled during that time. The Department has encouraged taxpayers to file petitions within the 60-day due date and refund claims within the original statute of limitations.

The commissioner's announcement also applied to certain municipal returns. Individuals and non-centralized filers should review the municipality's website to confirm the due date of extensions.

Municipal Tax Withholding

Am. Sub. HB 197 temporarily put the 20-day occasional entrant rule on the shelf starting March 9, 2020 until 30 days after the state of emergency has ended. The bill provides that employers are to continue withholding city income tax for the employee based on where that employee would normally work without regard to whether the employee is working remotely as a result of the state of emergency. In addition, the bill applies this treatment to all of Chapter 718 of the Revised Code, not just the withholding. For employees that planned to file refund claims to account for days worked outside of the traditional workplace city in 2020, this provision may impact the days-worked calculation. However, there are constitutional considerations for whether a workplace city can impose a tax on a non-resident employee when the work is not actually performed in the city even in light of the current situation.

Employers: Review payroll procedures to ensure that withholding for employees working from home continues to be done at the traditional workplace location. If remote work continues to occur past the carve-out period, revisit remote work policies with respect to city tax withholding as part of the larger work-from-home policies.

Employees: Employees should calculate the extent that a refund claim may be available with and without the suspension to the 20-day rule. The employee may want to consider constitutional arguments if cities hold to income tax being applied to traditional workplace locations even when the employee worked outside of the jurisdiction as a result of the pandemic.

State considerations: It should also be noted that local withholding and local income taxes in Ohio are not impacted by reciprocity agreements that Ohio has with its five bordering states. For state withholding and state income tax, states

have issued various guidance on sourcing. Pennsylvania has indicated that employees working remotely out of state as a result of the pandemic will not impact sourcing of the withholding or income. Ohio has not issued guidance, but presumably a similar treatment would be applied with respect to the five bordering states due to the reciprocity agreements. It is not yet clear how Ohio will treat employees working remotely in other states.

Our ever-changing environment requires individuals to review any new legislation or interpretations by government agencies on all of the topics above. Stay safe and healthy.



Adam Garn, CPA, JD, MT is a senior tax manager at Plante Moran.



Stephen Palmer, CPA, is a senior tax manager at Plante Moran.

FAST FACTS

1. As a result of the COVID-19 pandemic, tax season was transformed as individuals transitioned to working remotely almost overnight.
2. The two bills enacted to assist with the COVID-19 pandemic are the Families First Coronavirus Response Act and the Coronavirus Aid, Relief, and Economic Security Act.
3. On March 27, 2020, Governor DeWine signed Am. Sub. HB 197 which authorized the Ohio Tax Commissioner to extend certain returns as well as waive interest.

Call today for a free, confidential valuation of your practice.



IMAGINE...
A CHAIR
WITHOUT
A DESK



Call or Email Today to get started
and see how simple it can be with
APS working for YOU.

800-272-7355
steve@APSmidwest.com
www.APS.net

DELIVERING RESULTS -
ONE PRACTICE
AT A TIME



COVID-19 Response: Forget the math of the moment—double down on relationships

By Ronald J. Baker, CPA

No doubt, we are in unprecedented times with the COVID-19 pandemic, coupled with great uncertainty about when the economy will return to some semblance of normalcy. Businesses of all sizes are watching a devastating fall in activity, and small businesses face an existential threat.

CPAs needed now more than ever

What we know for sure is businesses need their CPAs more than ever. Just as the men and women in the medical and first-responder community are putting their lives at risk to keep people physically healthy, accounting professionals are needed to keep their customers financially healthy.

One enormous lesson I'm taking away from this crisis is the need to change our profession's business model. If you

are still hourly billing, your firm is mired in a transactional relationship with your customers based upon inputs, and those are easy to sever when times are tough.

There aren't many strategies you can deploy under this model other than the usual: reducing costs in capital investments and talent; increasing efficiency and hourly rates, to name a few. The problem is, none of these have anything to do with the actual relationship with your customer.

Unit Price	Quantity	Line Total
\$230.00	1	\$230.00
\$320.00	1	\$320.00
\$85.00	4	\$340.00
\$180.00		\$360.00
\$80.00		\$80.00
\$75.00		\$75.00
\$220.00		
\$285.00		

Firms that are value pricing have more options, such as:

- Diligent customer selection—do not take all comers. Not all customers are created equal. *More* business should not be your firm's goal. *Better* business should be the goal.
- Innovate new services for your “A” and “B” level customers. Innovation is not efficient, but so what? The goal of your firm is not to be efficient, but rather to create value.
- The AICPA informs us that it costs 11 times more to acquire a new customer than to retain a current one. Invest in your current relationships, even if that means doing work immediately and figuring out the price and payment terms later, especially for those struggling. Keep your eye on the lifetime value of the customer rather than the math of the moment.
- Don't take a hatchet to costs. No business has ever cut its way to prosperity. Some costs should probably be increased now, especially innovation in new services, talent, and retention marketing.
- Consider outsourcing some of your back office and low-value functions. Not so much to save costs, but rather to free up capacity so you can focus on higher value-added services.
- Segmentation of your value offerings is essential. Think about American Express' Green, Gold, Platinum, and Black card offerings. In hard times, you need a Green card—that is, a low-price offering—that also strips out value, so you force customers to sacrifice value for a lower price. When times get better, they can then upgrade to a higher value—and higher priced—offering.
- **Do not** unbundle your pricing. Charging for things like a technology fee is suboptimal. Customers don't value it, and thus you shouldn't turn their focus on things they don't value.

- Rather than cutting prices, consider extending—or even suspending—payment terms and lengthen your Fixed Price Agreements. Your customers will appreciate it, and will be better able to increase their payments once business activity returns to normal.

A Relationship-Based Business Model

Even better, this might be the time to reevaluate your entire business model and consider adopting one that is subscription-based. Think about how we are all trying to help our favorite restaurants, coffee shops, and other establishments: ordering takeout, buying gift cards, etc.

But what if you could subscribe to them? A subscription model provides many benefits, including:

- Predictable, recurring revenue.
- Increased customer loyalty.
- You're not selling services but rather creating annuities with a lifetime value that far exceeds the cost of acquisition.
- We aren't pricing a service, but rather a transformation—moving the customer from where they are to some desired future state. The customer is the product.
- The relationship is at the center of the business in a subscription model, not the scope of services.
- The focus is on taking responsibility for results and for helping your customers transform, rather than delivering tasks—the very definition of a professional.
- It allows you to plan cash flow and capacity more effectively.
- It is truly a “one-firm” model, as it takes a portfolio approach to analyzing profit, rather than profit per hour, job, or customer.
- You get paid automatically, so less financing and collection costs.
- Better prepares the firm for a crisis such as a recession, COVID-19, etc.

For example, Keep It Cut is a subscription-based barbershop in Arizona with six locations. It offers four levels of subscription, ranging from \$29 to \$44 per month. You can also purchase individual services to try them out. Here is its response to the COVID-19 shutdown, from its website:

Dear Keep It Cut Member,

We value your membership and wish to thank you for being part of the Keep It Cut family. It is our hope that you are healthy and safe during these unsettling times. To do our part in reducing the spread of COVID-19 we have decided to close our shops effective immediately until conditions change.

As you know, we have many excellent stylists in our salons and we are concerned for their needs during this time. Would you be willing to help us support them during closure? If you maintain your membership during this time, 100% of your dues will be distributed to stylists to provide income while they are unable to work. This won't cover all of their earnings, as they won't be able to earn tips, but it will provide some support to weather the storm and allow them to maintain their benefits for themselves and their families.

We understand not everyone may be in a position to continue their membership this month and have provided the options below to choose from:

Keep Membership – Donate

Donate next membership payment to support Keep It Cut stylists.

Keep Membership – Do Not Donate

When your next membership payment is billed, it will be immediately voided.

Cancel Membership – Without Refund

Your membership will be cancelled immediately and the remaining prorated amount will be used to support Keep It Cut stylists.

Cancel Membership – Partial Refund

Your membership will be cancelled immediately and you will receive a prorated refund for any used days of membership.

Thank you in advance for your consideration and we look forward to serving you again soon.

In Health,

Jacob, Josh, and the Keep It Cut Team



Grow your knowledge exponentially at the

Financial Institutions Virtual Conference

Date: August 27, 2020

Time: 8am – 4pm

Save \$50 by registering before July 30.

Learn more at



ohiocpa.com/FIC



WORK FROM ANYWHERE.

Simplify working remotely with the right support and tech solutions.



OSPCA Members save extra with
Dell Partner ID: 530018522640.

Visit Dell.com/OSPCA or contact
Strategic Partnerships Account
Executive Amy, at
Amy_Henry@Dell.com

 Dell Technologies



While no one can predict the future, my bet would be this business will be able to withstand this shock more than businesses that are merely transactional based. This demonstrates the value of the relationship, and why this is the time to invest more in them so they emerge stronger when the economy recovers.

The CPA profession is relationship based, not merely the sum of individual services. Certainly, you have to take care of yourself and yours before you can help others, but to the extent you can help your customers in any way they ask, forget about the math of the moment. In this crisis, do the right thing for the right reasons and you will forge a bond of trust that is priceless and deeply rewarding.



Ronald J. Baker is the founder of VeraSage Institute—the leading think tank dedicated to educating professionals internationally—a radio talk-show host on the **www.VoiceAmerica.com** show:

The Soul of Enterprise: Business in the

Knowledge Economy, and the Chief Value Officer at Armanino LLP. He has been named on Accounting Today's 2001-2007, and 2011-2019 Top 100 Most Influential People in the profession; and inducted into the CPA Practice Advisor Hall of Fame in 2018. He is a faculty member of the Professional Pricing Society. He lives in Petaluma, CA.

*To hear more from Ron register for one of the upcoming virtual accounting shows at **my.ohiocpa.com** where he will present on Strategic Planning, Pricing on Purpose: Creating and Capturing Value and After Action Reviews.*

FAST FACTS

1. If you are still hourly billing, your firm is mired in a transactional relationship with your customers based upon inputs, and those are easy to sever when times are tough.
2. Firms that are value pricing have more options, such as diligent customer selection, outsourcing and segmentation of value offerings.
3. This might be the time to reevaluate your entire business model and consider adopting one that is subscription-based.

Your 20 hours of complimentary learning are ready and waiting.

Register today for your member benefit and let the learning begin!

- Spring Advance
- On-Demand Series
- CPA Voice Assessments

To find out more, register or take the assessments, go to



ohiocpa.com/mycpe



Stay ahead of the curve—even during a pandemic!

Renew your OSCPA membership today to keep the doors open to the resources you need during this unprecedented time.

- Attend Town Halls for COVID-19 legislative updates
- Get exceptional virtual CPE
- Connect to OSCPA's coronavirus resources
- Find top talent or explore career opportunities
- Receive discounts on business and personal needs

Thank you for being **#OhioCPAProud**

**Membership renewal extended through June 30, 2020*



FEATURE



COVID-19

A black swan or gray rhino?

By Don Owens

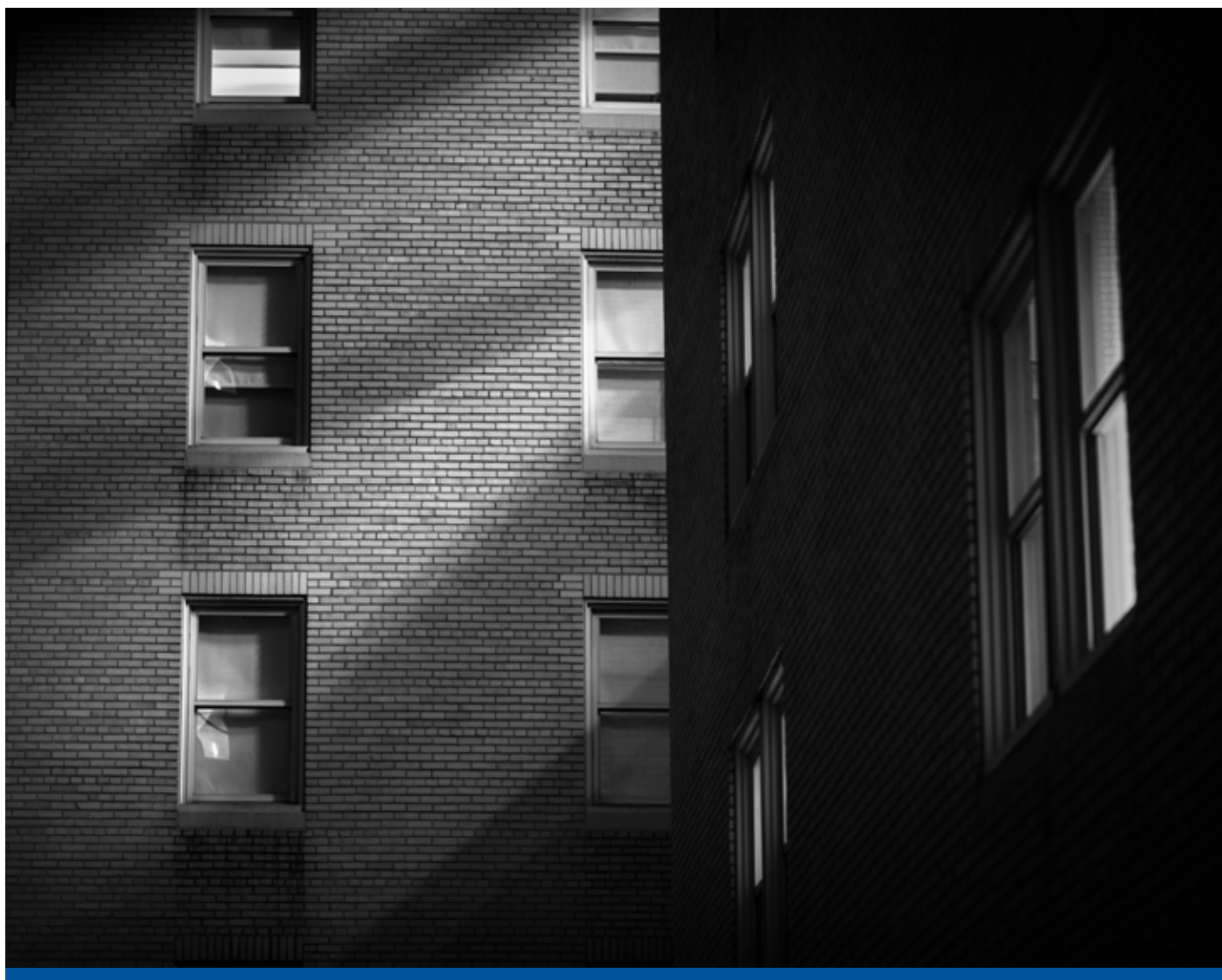
COVID-19, in addition to its devastating human toll, has resulted in unforeseeable business impairment across our nation and the globe.

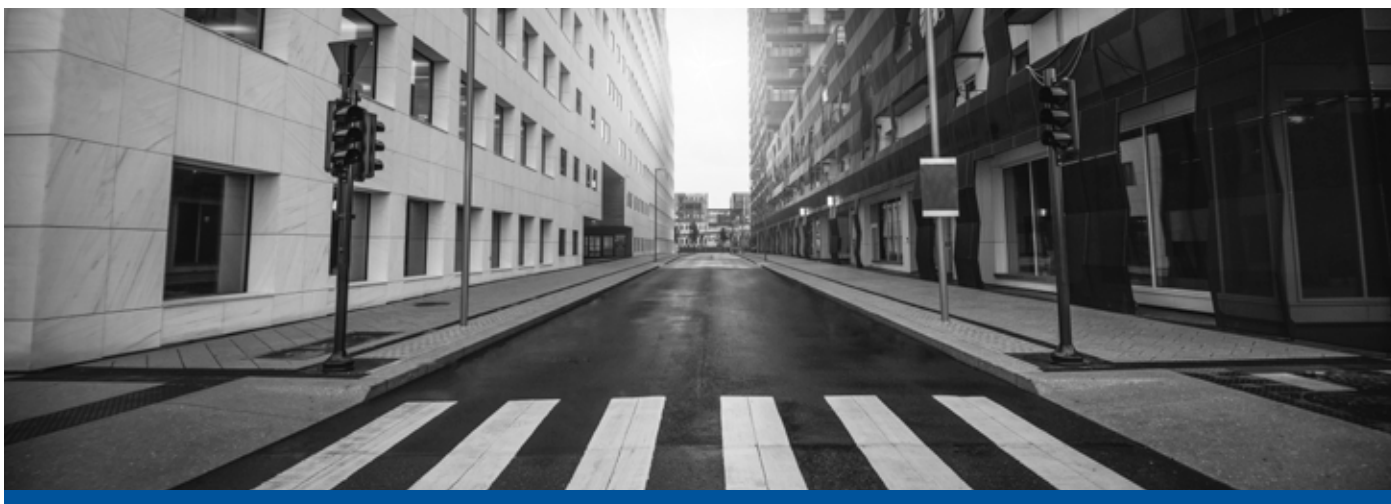
One could categorize COVID-19 as a global business tsunami that is destroying companies. The threat of a pandemic has always been present, but the likelihood of it occurring was considered very low. As with most threats that are viewed unlikely, many companies had no plan in place to address business disruptions caused by this seismic event.

Is COVID-19 a “black swan” event (an extremely rare and unpredictable event beyond what can be anticipated and planned for) or is it a “gray rhino” event (a rare yet predictable event with a high impact that can be planned for)? Was this pandemic unforeseeable or did we miss the warning signs? The red flags have been present for some time. Influenza A, SARS, MERS and several others are not so far in the past,

yet they seem to have been quickly forgotten. It appears to be a gray rhino that has been roaming our board rooms and executive offices unnoticed.

Given the realities of today’s globally integrated business world, companies need to have business recovery and continuity plans in place that consider global events (pandemics, internet infrastructure breaches, global conflicts, etc.). Workforce management policies and procedures are a key component of these plans. Within these policies and procedures, thoughtful consideration should be given to areas such as working remotely, insurance coverage, unplanned shuttling of production and offices, worker layoffs, benefits and much more. Other key matters to consider include privacy and security concerns associated with remote





employee access to the company network, including the use of personal devices. These are but a few of the considerations that would go into developing the plan.

The plan and actual execution of it are two distinct phases. Establishing the plan should be an on-going business practice. Once established, the cost to maintain and update the plan should be marginal. Whereas, the cost of executing the plan is variable and driven by the magnitude of the event. However, taking the time to develop the plan would allow organizations to project the costs to sustain the business and recover from the event. Those who have planned for such an event are best positioned to mitigate the extent to which their businesses will be impaired.

There is also an inverse consideration for those companies whose products and services are critical in supporting the needs of the public during such a crisis. For these companies, failure to have an effective plan in place that not only assesses the risks but also recognizes the potential increase in demand for their products and/or services is also critical. Overlooking this element of risk is to miss the opportunity to address demands arising from such events. Too often, we only focus on the threat and its likely

detrimental impacts, and we fail to step back and analyze if opportunities are also present. With COVID-19, many needs have arisen in which critical quantities of merchandise are needed; food, household goods, medical equipment and supplies, delivery services and sanitization services, to name a few. While it is critical to mitigate the catastrophic impacts of a pandemic, it is also important to consider how to accelerate the production of much needed goods and services.

What other “gray rhinos” are roaming both within and outside our corporate walls that need to be identified, analyzed, planned for and mitigated where possible?



Donald R. Owens, CIA, CRMA, CFE, CPA, CFF, CITP, CBA, CFSA, is founder and principal at PFRM Solutions that assist organizations in assessing and strengthening governance and risk management practices. Don

can be contacted at dowens@pfrmsolutions.com and 614.271.8551.

FAST FACTS

1. Companies need to have business recovery and continuity plans in place that consider global events.
2. Thoughtful consideration should be given to areas such as working remotely, insurance coverage, unplanned shuttling of production and offices, worker layoffs, benefits and more.
3. Establishing the plan should be an on-going business practice. Once established, the cost to maintain and update the plan should be marginal. Whereas, the cost of executing the plan is variable and driven by the magnitude of the event.



PODCASTS DURING CORONAVIRUS

As news of the coronavirus develops we're producing podcasts to share with members on how the accounting profession is adjusting. Listen to what we've published so far and subscribe to "The State of Business" wherever you get your podcasts or go to ohiocpa.com/podcast.

Episode: How this CPA professor teaches during a pandemic

Hear from Jessie Wright, CPA, a member of OSCPA's executive board team, manager at Schroedel, Scullin & Bestic, LLC in Canfield and a professor in the Accounting and Finance Department at Youngstown State University. We discussed what it's been like to teach during the coronavirus pandemic, adjustments she's had to make and how her students are handling it.

Episode: How one firm leverages technology to stay ahead during the coronavirus pandemic

Margaret Jordan, Director of Business Development for Sikich's Northeast Ohio office, talks about how Sikich dealt with the evolving disruptions to work. She shared thoughts on the value of having technology in place ahead of tough situations, connecting with coworkers and what remote work looks like for Sikich and their clients.

Episode: How a newly created Ohio office will help small businesses during the coronavirus

Lydia Mihalik, the Ohio Director of the Development Services Agency and the newly appointed Director of the Office of Small Business Relief, talks about how this office will help small businesses during the coronavirus pandemic. We covered the mission of the office, how accountants can help and advice the director has for small businesses during this time.

Career Center



Effective leadership in our new normal

By Steffan Moody

No one saw this coming, no one likes it, but it is our new reality. Leadership, whether it be to your employees, coworkers or family members, is key to coming out of this pandemic stronger, more focused and better prepared for any potential disruption. Read below for some tips I have found to help me be an effective leader during this unprecedented time.

1. Lead by example

Focus on continuing your daily routine as best as possible. If prior to COVID-19, you woke and exercised before work, then continue doing so. Get ready for work as you normally would have...shower and change out of your pajamas. To be productive each day, set-up an area in your home dedicated to work. Don't view this as an opportunity to sleep in, slack on your diet or sit around in your pajamas.

Dave Jacobs, Oswald's President and Chief Operations Officer suggested, "One way to combat fear, sadness, and

grief, is through taking action, and doing something good for others in need. Supporting your clients, nonprofit partners, and your local essential businesses are just a few ways to help."

If you are a leader of a group of people, be honest, clear and compassionate in your communications. It will help to build trust and demonstrate stability. Address important topics and provide guidance around working remotely, technical support and other external pressures that may be stressing your people. When possible, keep everyone updated on the status of your business and if you can schedule a virtual meeting, even better. People appreciate seeing the faces and emotions of their coworkers.

2. Leverage technology...safely.

Becoming an expert in Zoom, Skype, Web-ex, etc. is crucial to your success. Technology is your friend and can be a wonderful resource when utilized appropriately.

“There are increased security and cyber risks that come with a more mobile workforce and personal access to systems,” said Jennifer Morrissey, chief information officer at Oswald. “It’s the right time to brush up on security training and update policies, as well as distribute regular communications to your employees, as we all must remain vigilant when working from home, and from a variety of devices.”

While many companies will have built-in security features with purchased products, it doesn’t account for individuals that may be using free versions of a tool, or other in-home security issues tied to unsecure networks.

3. Stay connected with your clients, colleagues and teams...it doesn’t always have to be business.

People suddenly working from home may feel disconnected and lonely. In order to boost morale and increase productivity, make time for personal interaction. By making yourself available, scheduling regular touchpoints, your team will feel supported and recognize your care. We are all in this together and feeling the same pressures. I’ve had more meaningful phone calls with clients over the past four weeks than ever before. And, the majority of my conversations aren’t about work. People are looking for meaningful interactions that are unrelated to work.

4. Become an expert...overnight.

Take time to learn what is affecting your clients most and keep them informed. Things change quickly and clients are looking for your help. Create an easy way for them to access information; a resource page or email communication filled with helpful links and guidance all in one place goes a long way. If you make the time to understand it and remain open

with your communications channels, you will become a valuable resource they can’t do without and will remember forever.

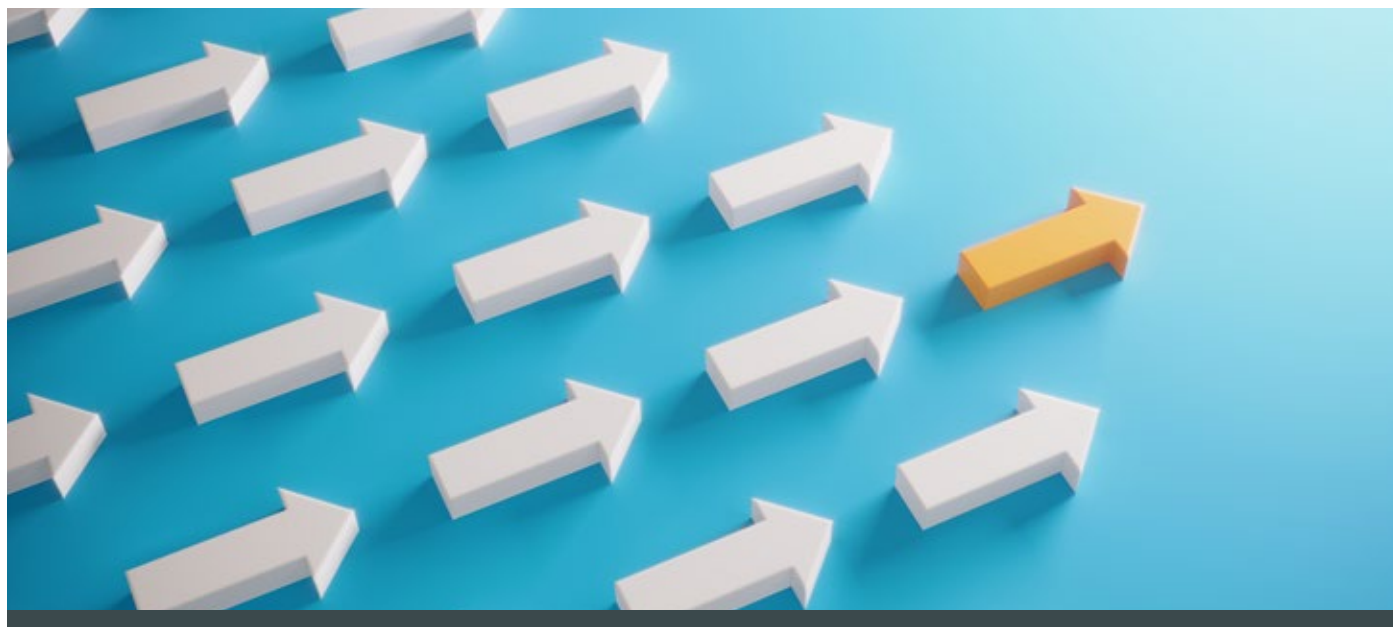
5. Find healthy ways to occupy your time

It is easy to slack on your diet, use this time as an excuse to not exercise or start happy hour earlier. This can create bad habits that may be difficult to overcome post COVID-19. Schedule meaningful breaks: listen to music or participate on conference calls during a walk. Take breaks with family members who may also need it; get some fresh air, go on a bike ride, or make a new recipe you’ve always wanted to try!

Stay connected to your family and friends through technology. Scheduling a recurring game night or fun activity will allow you to escape the daily news and updates and give everyone in your family something to look forward to. Setting a routine and taking care of yourself, your friends and your family can help you cope with stresses of what we are dealing with. It will better position you to help others, which will in turn, help us all.

As we learn more about how this virus affects our businesses and daily life, there is an opportunity to embrace what has been learned in a short amount of time, build upon it and position ourselves for success post COVID-19. Taking stock of what has been learned and being critical of the decisions that have been made will put organizations in the best possible position to accelerate recovery efforts. Those that take the time to do this will have a distinct competitive advantage.

Steffan Moody is the Market Leader- Columbus, Oswald Companies.





Q&A: Meet Margaret D. Finley, OSCP Diversity and Inclusion Strategist

Margaret discusses the Society's D+I strategy and what the profession and Ohio businesses can look forward to in the weeks and months ahead.

In late 2019, OSCP welcomed Margaret D. Finley to the team. As a self-described “diversity and inclusion enthusiast,” Finley has held non-profit and corporate roles and influenced strategy and execution relating to diversity and inclusion initiatives. She believes all her previous roles prepared her to step into accepting the challenge to lead and execute the strategy and commitment to diversity and inclusion at OSCP.

“We’re thrilled to have Margaret on the team,” said OSCP President and CEO Scott Wiley, CAE. “We support diversity and inclusion not only because it’s the right thing to do, but also because it’s scientifically proven that a diverse group of employees leads to better collaboration and problem-solving.”

OSCPA: What does diversity and inclusion mean to you and why does it matter?

Margaret D. Finley: I define *diversity* as the extent to

which the people within an organization reflect the range of human differences and experiences that exists within the society in which it operates. This includes, but is not limited to race, ethnicity, sex, sexual orientation, gender identity or expression, religion, age, physical ability, veteran status and socioeconomic status. On the other hand, I define *inclusion* as the degree to which those with these differences are valued and empowered to contribute within their organizations. At OSCP, diversity and inclusion matter not only because embracing these constructs is good for the accounting profession, but because it is also good for business. Research shows that increasing diversity (especially on the leadership levels) leads to, among other things, strides in productivity and innovation, which in turn, translates to improved financial performance. Thus, to ensure that we best equip the accounting profession to succeed in business, diversity and inclusion must be a business imperative and therefore essential to our commitment to advance diversity and inclusion.

OSCPA: What is the commitment for diversity and inclusion at The Ohio Society of CPAs?

MDF: The journey we have taken at OSCP is instructive. Our Executive Board approved plans in November 2016 to frame an organizational D+I strategy that would extend OSCP's own diversity acumen and provide support to member organizations with the same goal. This was not the first time the organization has demonstrated a commitment to D+I, but it represented the largest initiative to date in scope and scale. For guidance, OSCP engaged American Society of Association Executives, which had formed a Diversity + Inclusion Task Force comprised of board, staff and volunteer leaders from the CPA profession.

Our D+I Task Force members were selected based on the need to bring a broad range of perspectives, professional experiences, organizational cultures and D+I expertise together to address this critical topic.

Before convening the task force, OSCP engaged an independent audit of its current diversity and inclusion practices. Using a credible business Inclusion Index Tool – a model in the association community – OSCP evaluated its progress and identified gaps in important D+I competencies which set the stage for opportunities identified by the task force and on behalf of the CPA profession.

The task force met regularly to identify challenges in the profession related to diversity and inclusion, framed goals and identified strategic possibilities for advancing D+I within the Ohio Society's culture and in Ohio's CPA profession. The group then synthesized dozens of ideas that frame OSCP's diversity and inclusion commitment statement and multi-year strategic plan.

As a result of these efforts, we expect to become Ohio's leader in diversity and inclusion strategy across the accounting profession. The heart of that effort – and the way any organization can start – is by building relationships through those candid, safe conversations.

OSCPA: How can members of the Society support the advancement of diversity and inclusion for the profession and beyond?

MDF: Members can play a significant role in advancing diversity and inclusion at OSCP and beyond in any number of ways that is meaningful. We encourage members to engage in our variety of D+I educational offerings, and we are excited about creating meaningful conversations and connections for the accounting profession.

OSCPA: What can we expect from OSCP on the weeks and months ahead as it relates to diversity and inclusion efforts?

MDF: I am thrilled to share that over the next few weeks we will be rolling out educational materials devoted to matters related to advancing diversity and inclusion across the accounting profession. In addition, we will launch our Crossing Bridges Series – Advancing Diversity and Inclusion kicking off on August 13 and running through April 30, 2021.

OSCPA: What excites you most about your new role?

MDF: I'm most excited about being a part of an organization that is committed to our diversity and inclusion strategy; serving alongside team members and an external taskforce who are passionate and ardent about ensuring that our strategy is executed so we can make a difference.

Find out more at www.ohiocpa.com/diversity



Diversity + Inclusion



The impact of the CPA credential

The path to accounting and the CPA credential isn't always a straight arrow, but a past winner of an Ohio CPA Foundation scholarship said her journey was well worth it.

"Once you have your CPA, you can go anywhere in accounting," said Jennifer Dennee, CPA. "So why not open as many doors and as many opportunities as you can through your own actions. And then you can choose where to go after you have it. And to me that's worth it."

After Dennee graduated from high school she pursued accounting in college while also working for a local church that needed help with bookkeeping. Once Dennee married and started growing her family, she decided to press pause on pursuing her degree. Later she eventually became the treasurer at the church, but the idea of finishing her degree was always in the back of her mind.

"I just always thought I should have finished and I wondered what my life would have looked like if I had," she said. "I thought maybe I would go into public and get my CPA."

Once her children were older, Dennee decided to pursue her dream to finish her accounting degree and enrolled at the University of Akron. She went as a full-time student to finish in the shortest amount of time possible.

Since her husband was the only one working at this time, Dennee looked into various resources to help pay for tuition and applied for the Ohio CPA Foundation scholarship in the fall of 2016. By February of 2017 Dennee had been awarded the scholarship for her last semester of school later that year.

"That \$2,000 scholarship was huge at the time for me and for my family," she said. "Having that help with finances allows you to plan in different ways and go in different directions. So I remember when I got the notice I teared up and my husband and I were celebrating, it was a really wonderful thing."

Dennee said she knew she wanted to earn her CPA as well, especially since she wanted to go into public accounting. After she graduated she started in the audit department at Sikich in early 2018. Similar to her approach to school, Dennee wanted to finish the CPA exam as quickly as possible. By the end of the year, she had passed all four sections.

"It was hard," Dennee said of studying, working and family responsibilities. "But it's going to be hard no matter when you do it, no matter how you do it. There's no shortcut."

She said passing the CPA was one of the highlights of her career and an "incredible feeling."

"It's this accomplishment that's there for you," she said. "And it follows you through your career. It can act as something that will help you and you don't have to worry about anything holding you back."



Investing in the Future

The Ohio CPA Foundation programs would not be possible without the support of our generous donors.
For more information contact lsbrown@ohiocpa.com

members

in motion

CANFIELD

Bodine Perry Certified Public Accounts & Business Analysts, experienced revenue growth of nearly 15% in 2019 and plans to continue and upward trend of steady growth in 2020.

CINCINNATI

Johnny Krehbiel, has been promoted to senior manager, business advisory at Brixey & Meyer.

CLEVELAND

Jon Watts, CPA, has been promoted to managing tax director, private client group at Clearstead.

DAYTON

Steve Black, MSE, SPHR, SHRM-SCP, has been promoted to senior manager, human resources at Brixey & Meyer.

Garrett Hudson, CPA, has been promoted to senior accountant, tax services at Brixey & Meyer.

Jonathan Steinke, CPA, has been promoted to shareholder, tax services at Brixey & Meyer.

Erik Streed, has been promoted to senior accountant, audit & assurance services at Brixey & Meyer.

Don't Let COVID-19 Impact Their Dreams

Support the future of the accounting profession by adding a gift for The Ohio CPA Foundation on your OSCPA dues statement or by contributing online at www.ohiocpafoundation.org.



Investing in the Future

Your generous support:

- Welcomes the next generation to our profession
- Introduces students to the benefits and values of becoming a CPA
- Contributes to leadership development programs that enable students to enter the workforce prepared for success.



Thank you, your gift makes all the difference!

CLASSIFIED

Accounting Practices for Sale

Are you thinking of selling? Do you need an exit strategy?

Accounting Practice Sales specializes in the sale of CPA firms and accounting & tax practices. Our marketing and consulting services are focused exclusively on the accounting professional. We provide guidance and assistance with selling your practice, merging with another firm, establishing a practice continuation plan, growing an existing business or acquiring a new practice.

Contact us for a **FREE**, no obligation consultation and business valuation.

E-mail steve@APSmidwest.com or call **1.800.272.7355 ext 3**.

For more information visit is at **APS.net**

Interested in CPA Practices available for sale?
Visit **APS.net** to inquire on details.

Advertisers Index

Duffy & Duffy Cost Segregation Services, Inc 5

Tax Credits Group, LLC 9

Accounting Practice Sales 15, 32

CPACharge 11

Dell Technologies 19



Distinguish yourself as a strategic leader.

Earn the global designation for financial professionals.

Explore the CGMA® Program:

A lifelong professional learning journey that puts you on the path to take your career to a new level. You'll learn and acquire the skills it takes to become a more strategic, confident, secure and insightful leader.

Get started at CGMA.org/Program

Holly Rodillo Bernstein, CPA, CGMA
Director of Accounting, SoulCycle



© 2017 Association of International Certified Professional Accountants.
All rights reserved. 22726C-326

THE OHIO SOCIETY OF CPAs 2019–2020 EXECUTIVE BOARD

CHAIR OF THE BOARD

Donald L. Mellott, Jr., CPA
Mellott & Mellott PLL
Cincinnati

PAST CHAIR

John J. Venturella, CPA, J.D.
Clark Schaefer Hackett & Co.
Dayton

PRESIDENT AND CEO

Scott D. Wiley, CAE
The Ohio Society of CPAs
Columbus

CHAIR-ELECT

Crystal Faulker, CPA, CExP, MAFF
Mountjoy Chilton Medley
Cincinnati

VICE CHAIR, FINANCE

Chris Igodan, Jr., CPA
Nationwide Insurance
Columbus

DIRECTORS

Libby Cullins, CPA, MBA
JPMorgan Chase & Co.
Columbus

Jamie P. Menges, CPA, CFP®
PDS Planning
Columbus

Jessie Wright, CPA, CVA, CGMA
Schroedel, Scullin & Bestic, LLC
Canfield

Michael J. Elliott, CPA
DittrickCPA
Burton

Paul Nungester, CPA, CGMA
First Federal Bank
Defiance

Jon Zavislak, CPA, CGMA
Express
Columbus

Ebonie Jackson, CPA
Lucas County Children Services
Toledo

Ellen Wisbar, CPA
CBIZ
Cleveland

Lori Kaiser, CPA, CGMA
Kaiser Consulting LLC
Columbus

Julie Wozniak, CPA
NiSource (Columbia Gas)
Columbus

lately

on the podcast



and wherever you get your podcasts!

 **The State of
BUSINESS**



Episode title:

What you can do to bring your team together during crisis

From the episode:

“Take the time to really consciously as a team think about what connection points and what culture points do we need to be successful? That’s going to be the difference between a group that grows and bonds and can be effective through this and a group that is in a complete state of disarray.”

Kristen Rampe, CPA & owner of Rampe Consulting



ohiocpa.com/podcast



INSPIRE | INNOVATE | IGNITE

2020 Ohio Virtual **ACCOUNTING** Shows

Let's come together as a profession and explore the finance transformation journey, technology evolution and regulatory landscape. Trust in OSCPA to provide the virtual learning you need to advance your personal and professional career.



Dayton

Aug. 19–20, 2020

Cincinnati

Sept. 23–24, 2020

Cleveland

Oct. 21–22, 2020

Columbus

Nov. 5–6, 2020

Learn more and register now at



ohiocpa.com/inspire

Single day option available via MyOSCPA.

Sponsored by:

