CPA The Ohio Society of Certified Public Accountants

VOICE

July
August
2021

A GOOD MIX:

CPAS LEARN THAT ENTREPRENEURSHIP, ACCOUNTING BLEND WELL

Risk-based approach
to quality management

Unlocking
your company's value

THE
OHIO SOCIETY
OF CPAs
ADVANCING THE STATE OF BUSINESS

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feature

in depth

CPA VOICE — The Ohio Society of Certified Public Accountants — July August 2021

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EDITOR:
Gary Hunt, CAE – ghunt@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

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a word from our CEO

Agile & nimble aren't just buzzwords

If you've been paying attention to business news the past year and a half, there are probably certain themes you've noticed emerging. One of those is the value in being a business that is agile and nimble and – when circumstances dictate – it can evolve to survive. Of course, this became only more necessary as businesses pivoted during the pandemic, and it is now a popular topic discussed on podcasts, television interviews, learning events and more.

At the Ohio Society of CPAs, we know although this perspective is trendy now, it will always be an approach to business that is worth investing in. Taking the time to consider how your business will look in 5-10 years, or how it will adjust to future economic conditions might not always be the most comfortable process, but it's well worth it in this fast-paced environment.

Maybe recently your company has introduced hybrid working schedules, invested more in the DEI space or adjusted its offerings in a risky new way to meet consumer demand. Even if the pandemic forced you to make serious adjustments to your workplace that you weren't sure about then, I hope you've taken the time to consider what future changes you might need to make to stay agile now. These changes are about more than simply keeping up with the competition, they are about the long-term success of your business. Although the pandemic might feel like it's ending, in the future more abrupt changes to the way we do business await, and now is the time to think how your business will survive.

The theme of this issue is entrepreneurship, and if anyone is familiar with thinking on their feet, it's entrepreneurs and business owners. Even if you don't own your own business, I hope you feel inspired by these stories of accounting professionals who have continued to grow and find success in their businesses through a commitment to learning and not being afraid to make mistakes. And as you're working on your own goals, I encourage you to attend our fall accounting shows to help you get where you want to be. Go to ohiocpa.com/CPE to register.

Staying nimble requires some discomfort, as it pushes you and your business to areas not yet explored. At OSCPA we're happy to take that journey with you, into discovering new ways to keep your business agile while always adding value.

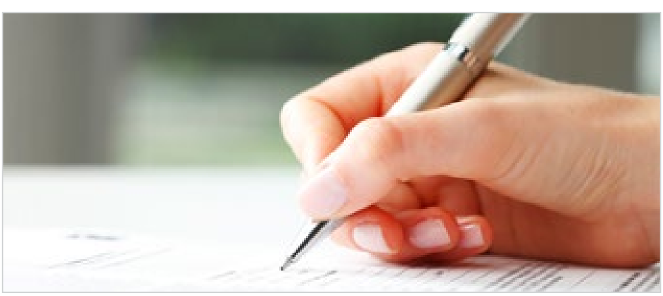
THE OHIO SOCIETY OF CPAs
ADVANCING THE STATE OF BUSINESS

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

JULY | AUGUST 2021
Product ID: #55324



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
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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**
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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. Turn off pop-up blockers, then 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 secures wins in Ohio's recently enacted budget bill

OSCPA staff report

Governor DeWine signed House Bill 110 into law just before midnight on June 30 after using his pen to exercise 14 line-item vetoes. By a vote of 82-13 in the House and 32-1 in the Senate, both legislative chambers overwhelmingly adopted the conference committee report on June 28. Here are some of the tax policy highlights, many of which OSCPA actively advocated to enact.

Municipal Income Tax: OSCPA successfully secured language that extends through the end of 2021 the application of the temporary municipal income tax withholding provision for employers enacted last year in House Bill 197 (133rd GA) as Section 29. The bill allows employers to continue (but does not require) withholding municipal income taxes based on where the employer is located through the end of 2021, but beginning in 2022 the normal 20-day withholding rule will apply at the location where the employee is working. Because the state of emergency order was recently being rescinded, this temporary withholding provision was originally set to expire on July 18.

On the refund issue, OSCPA supported clarifying language that Section 29 was not intended to apply to the taxability of the employee's wages. Although OSCPA preferred the Senate's original language that would have granted refunds for both tax years 2020 and 2021, the final version of H.B. 110 only clarified 2021 – the House Bill 157 approach. At least for tax year 2021, this change will allow qualified employees to receive a refund of taxes withheld to a municipality where they neither lived nor physically performed services. The courts will need to decide the refund issue for 2020, and OSCPA will be supporting plaintiffs in that effort as we believe taxing persons who neither work nor live in a jurisdiction is unconstitutional.

House Bill 110 also provides that the net profit tax payroll factor should be calculated at the principal place of work location through the end of 2021.

State Income Tax: House Bill 110 enacted a 3% across-the-board income tax rate cut for taxable years beginning in 2021 (there is no additional reduction in tax year 2022), and further consolidated the income tax brackets from the current five to four by bringing Ohio's top rate down to 3.99% on 2021 income greater than $110,650.

The new law also increases the income level at which the first tax bracket begins, from $22,150 to $25,000 in 2021. The language only suspends the annual inflation indexing adjustments for tax brackets for 2021 (not for 2022) but does suspend the indexing for exemption amounts for both 2021 and 2022.

Because of the administrative burden placed on our members when it was first enacted in Senate Bill 26 (133rd GA), OSCPA also successfully advocated to eliminate the NAICS code requirement when taxpayers claim the business income deduction (BID) on Ohio tax returns.

Two other income tax deductions were also enacted, both beginning in tax year 2026: one for venture capital gains originally introduced as House Bill 174 and the second on the capital gain from the sale of a business.

Sales/Use Tax: House Bill 110 eliminates from the sales and use tax employment services (providing personnel to perform work under the supervision and control of the purchaser) and employment placement services (locating employment for a job seeker or locating job candidates for an employer). OSCPA has long sought this change, and initially recommended eliminating the taxability of these transactions in our 2016 Ohio Tax Reform Task Force report. This repeal is effective Oct. 1.

Commercial Activity Tax: OSCPA successfully advocated for a permanent CAT exemption for Bureau of Workers' Compensation dividends paid to employers, beginning with dividends paid in 2022. Senate Bill 18 enacted earlier this year exempted BWC dividends paid in 2020 and 2021.

Early in the budget bill process, OSCPA also successfully secured the removal of an attempt to codify an administrative rule providing a common ownership test for CAT taxpayer groups.

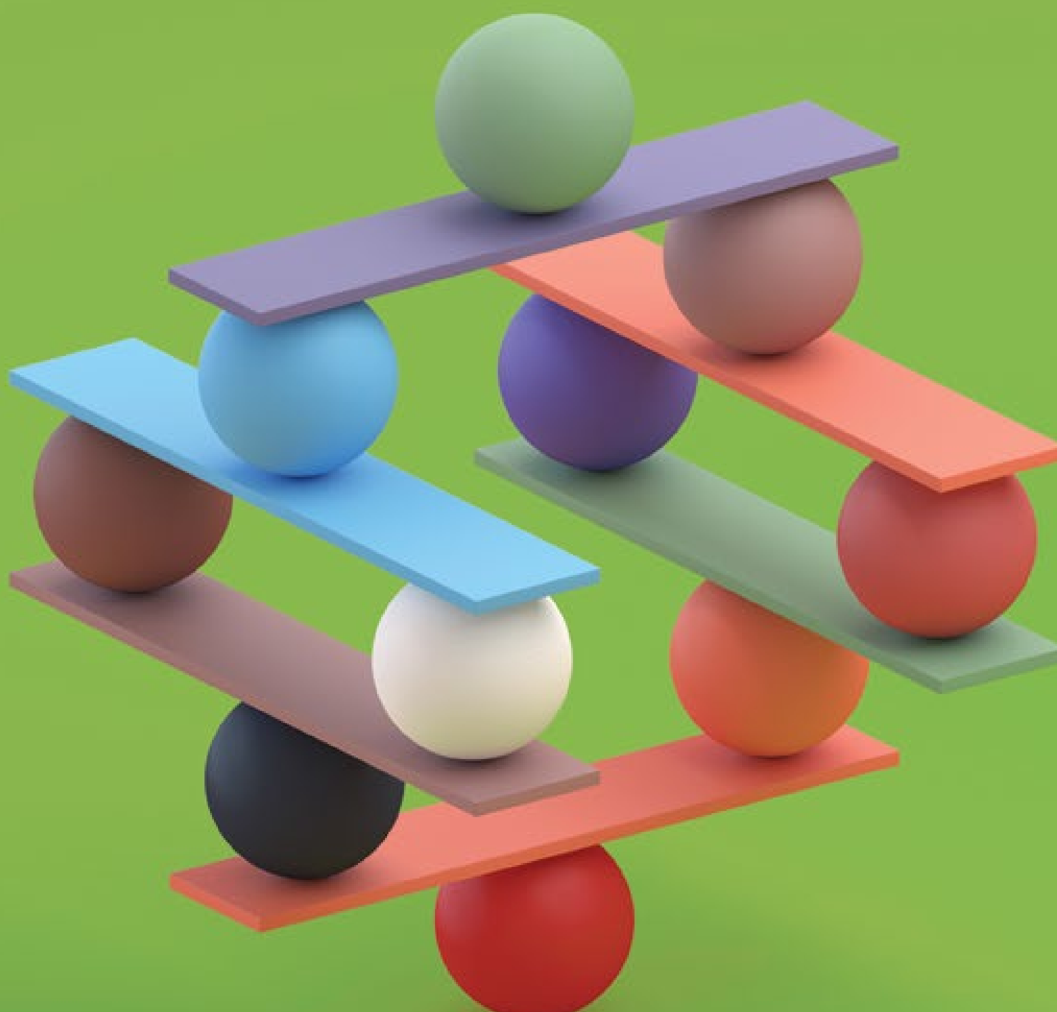
Other policy changes of note: In addition to funding all state operations for the next two years, House Bill 110 overhauls the formula for distributing money to grades K-12 through the "Fair School Funding Plan," provides $250 million in broadband internet support for underserved areas, and makes Juneteenth (June 19) a state holiday, among many other changes. Additional highlights include:

- Removal of language that would have changed the valuation of rental property eligible for federally subsidized low-income housing, instead creating a study committee to further examine the valuation process. The study committee includes a seat reserved exclusively for an OSCPA representative.
- An increase from $1 million to $2 million the limit on opportunity zone investment tax credits awarded to an individual during a biennium.
- New tax credits for companies that bring "megaprojects" that have at least $1 billion in fixed-asset investments or create at least $75 million in Ohio employee payroll.
- A two-year extension on the life of the existing insurance premium tax credit for "transformational mixed-use development" projects through June 30, 2025.
- Allowing any business receiving the job creation tax credit to include work-from-home employees in payroll reporting. This provision also extends to those agreements for which the application was approved prior to September 29, 2017.
- Adding $350 million for brownfield remediation and $150 million for a site revitalization program for non-brownfield sites.
- Exempting investment metal bullion and coin purchases from the sales and use tax.

*To review all changes made in the budget bill, visit **www.legislature.ohio.gov** and search for HB 110. For questions about this bill or other legislation OSCPA is following, contact our advocacy team at **government@ohiocpa.com**.*

Risk-based approach to quality management

By Laura Hay, CPA, CAE, OSCPA executive vice president



The AICPA Auditing Standards Board has issued three interrelated standards addressing how CPA firms manage quality for their accounting and auditing practices. Designed to be scalable to different sizes of firms and diversity of practice, the proposed framework emphasizes a more proactive risk-based approach tailored to each firm and its circumstances.

Aligning to international quality management standards, the proposal adopts the terms *quality management* in place of *quality control*, and *engagement quality review* in place of *engagement quality control review* used in the current standards.

The three proposed standards are:

1. Proposed Statement on Quality Management Standards (SQMS) No. 1, *A Firm's System of Quality Management*
2. Proposed SQMS No. 2, *Engagement Quality Reviews*
3. Proposed Statement on Auditing Standards (SAS), *Quality Management for an Engagement Conducted in Accordance with Generally Accepted Auditing Standards*

The proposed standards would supersede Statement on Quality Control Standards No. 8 and SAS No. 122 section 220 and create a new QM section in AICPA *Professional Standards*.

The proposed standards are responsive to concerns about audit quality in an increasingly diverse business environment, and perceptions from regulators that the existing standards provide a "one size fits all" approach that leads to overreliance on practice aids rather than adapting planning to differences in the size or nature of firms.

Proposed SQMS No. 1

Proposed SQMS No. 1 emphasizes the responsibility of firm leadership for proactively managing quality, by customizing the design, implementation, and operation of the firm's system of quality management based on the circumstances of the firm and its engagements. Using a risk-based process, the proposal transitions from policies and procedures that address standalone elements, as required by current QC section 10, to an integrated and iterative approach that takes into consideration the system as a whole, with continued remediation and improvement.

Components of a firm's system of quality management would include:

- The firm's risk assessment process (new).
- Governance and leadership (adapted from the current leadership responsibilities for quality within the firm).
- Relevant ethical requirements.
- Acceptance and continuance of client relationships and specific engagements.
- Engagement performance.
- Resources (adapted from the current human resources component).
- Information and communication (new).
- The monitoring and remediation process.

The firm would be required to establish quality objectives that are outcomes-based for each major component except for monitoring and remediation. The firm then identifies and assesses the risks to the achievement of the quality objectives and designs and implements responses to address the quality risks.

The components are highly integrated and are not to be considered in a linear manner.

The ASB recognized that firms will need time and resources to develop a tailored system of quality management that focuses on areas of risk; however, the proposal asserts that over time, a more tailored and focused system of quality management will result in more effective use of firm resources and improvements in engagement quality.

If the standards are issued as proposed, firms' quality management systems would need to be designed and implemented by Dec. 15, 2023. An evaluation of that system of quality management would be required to be performed within the year following that date.

Proposed SQMS No. 2

Proposed SQMS No. 2 establishes criteria and responsibilities for an engagement quality reviewer. SQMS No. 2 applies to engagements for which an engagement quality review is identified as a response under SQMS No. 1. To reduce threats to objectivity to an acceptable level, an engagement quality reviewer cannot have served as the engagement partner for the previous two years. The engagement partner is precluded from dating the engagement report until the engagement quality review is complete.

SQMS No. 2 would be effective for audits or reviews of financial statements for periods beginning on or after Dec. 15, 2023, and for other accounting and auditing engagements beginning on or after that date.

Proposed QM SAS

The proposed SAS elaborates on what it means to "take responsibility for" an audit engagement, including the firm's culture driving responsibility of all team members for quality, and the importance of professional ethics and professional skepticism. The proposal identifies key items for which the engagement partner cannot delegate responsibility. It also introduces a new "stand back" requirement to determine whether the engagement partner has taken overall responsibility for managing and achieving quality, including sufficient and appropriate involvement throughout the engagement and that the unique circumstances of the engagement have been considered.

The proposed SAS is expected to be effective for engagements conducted in accordance with GAAS for periods beginning on or after Dec. 15, 2023.

Self-Inspection threat

SQMS No. 1 requires annual monitoring and evaluation of a firm's system of quality management. International quality management standards prohibit those performing the engagement or the engagement quality review from inspecting the firm's completed engagements (referred to as *self-inspection*). Existing U.S. quality control standards do not include this prohibition.

In developing SQMS No. 1, the ASB considered whether there were unique safeguards in the U.S. for a self-review threat. Other than peer review, which is performed every three years (the monitoring and evaluation requirements are annual), the ASB was not able to identify unique U.S. safeguards that would reduce the self-review threat to an acceptable level. Accordingly, the proposed quality management standards converge with the IAASB standards with respect to self-inspection.

The two-year cooling off period before an engagement partner can serve as an engagement quality reviewer is also intended to address the self-review threat. The ASB is requesting comments on these two requirements in the proposal.

Responding to the exposure draft

Comments on the exposure draft are requested by Aug. 31, 2021. A joint task force of the OSCPA Accounting and Auditing and Peer Review Committees is preparing a letter of comment on the draft. Please forward any comments for the task force's consideration to me at **Lhay@ohiocpa.com**.

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

THREE THINGS

1. Under proposed SQMS No. 1, firms would no longer be able to rely solely on third-party practice aids but would need to perform their own tailored risk assessment based on their unique circumstances.

2. SQMS No. 2 increases the accountability of the engagement partner and the tone at the top leading to quality.

3. The proposed quality management standards provide a stricter prohibition on self-inspection for a firm's annual monitoring and evaluation requirements to address the self-review threat.

Unlocking your company's value

By Crystal Faulkner, CPA, CExP, MAFF

The COVID-19 pandemic has forced businesses to adjust the way they operate. We now meet virtually, find new ways to engage with our employees and rethink the way we do business. It has been a year of transition as our companies are adapting to the new normal, and it is the perfect time to unlock and discover new value opportunities in your organization.

So, what does that mean – "unlocking my company's value?" As a professional Entrepreneurial Operating System (EOS) implementer, I work with leaders that may or may not realize they are standing in their own way of reaching their organization's goals. Often, these companies are "stuck" and cannot seem to take their organizations to a new level. Often, these businesses have strong leadership teams, but when we dig in, we uncover that the goals of the leaders are not aligned. Leaders on a team generally all have a vision for the company – just not the same one. To maximize the value of a business, it is imperative to have a promising, collaborative vision, with goals that inspire team members. It also means that everyone on the leadership team is working together to meet those goals, allowing them to get where they are going faster and produce greater results.

If your company has not set strong goals or a clear vision, consider starting with an inspiring 10-year target and working backward. Commit time to meeting with your leadership team and getting everyone on the same page about where

your company could be in 10 years. Not everyone at the table will have the same picture in mind, but by listening and collaborating, you can design a cohesive vision that is likely stronger than the one you pictured on your own.

Once the long-term goal is set by the leaders, create a three-year picture and a one-year plan so that the entire leadership team agrees to focus on the most important things that need to be accomplished. It's important to not only set specific annual goals, but also break action steps down into 90-day strategic priorities to execute on the plan. The focus and execution on a plan are what drive results leading to increased enterprise value.

Your vision cannot be achieved without great people, and every company defines great people differently. Every company must have the "right people" (those that consistently exhibit your company's unique core values). Each person must also be in the "right seat" (the individual has the talent and skills to perform the roles in their seat and is passionate about those roles).

When I begin implementing the EOS Process with a leadership team, we conduct exercises to discover an organization's unique core values. We also work with the leaders to create an "accountability chart" that portrays the appropriate structure for the organization over the next twelve to eighteen months, so the company can break through the ceiling and get to the next level. We use powerful but simple EOS tools to complete a detailed analysis of each team member to ensure everyone is a right person in the right seat. While it may sound uncomfortable to consider adjusting roles and people in your company, it could be a major benefit to your organization in the long run, because you will have a team with the talent, passion, and capacity to do the job well.

Generally, the lack of accountability and execution are what cause a company's vision to go unrealized. Work toward creating a positive culture where accountability and discipline in execution toward achieving goals are part of the company's DNA.

Growing the value of a company does not begin with creating new products or services; it begins with improving communication, accountability, and organizational makeup of your team. It is critical to embrace a culture where your team feels safe to raise their hands and call out issues standing in the way of maximizing the value of your organization.

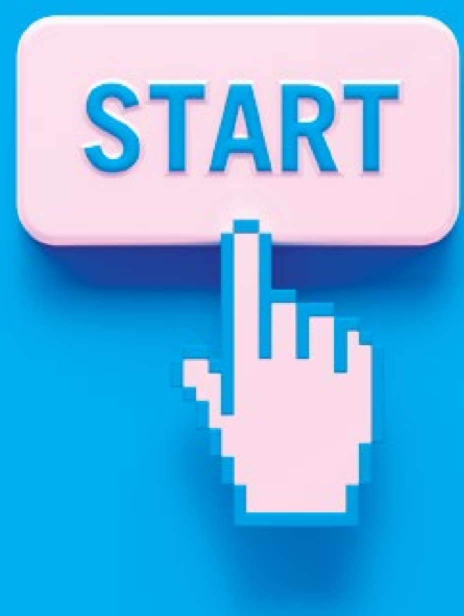
Crystal Faulkner, CPA, CExP, MAFF, is the 2020-2021 OSCPA Executive Board chair, and partner at MCM CPAs & Advisors in Cincinnati.

THREE THINGS

1. Start with an inspiring 10-year target and work backward.
2. From there, create a three-year picture, a one-year plan, then action steps broken down into 90-day strategic priorities.
3. Ensure that you have the right people—in the correct positions—on board.

Why now could be a great time to start a business

By Bryce Sanders



Coronavirus suddenly changed the world: One day your client was employed, the next day they weren't. Your client was thinking about becoming their own boss and setting up a business. They have turned to you, their accountant, for advice. It means more business for you, but is it a good idea for your client?

What's going through your client's mind?

Why now? Isn't there enough uncertainty in the world? Your client has other ideas.

They might be unemployed, yet government relief has helped get them through. They feel the social contract between them and their employer was broken. A return to their pre-COVID status quo might represent an uncertainty they no longer want to face.

Besides, they have this great idea…

How can accountants see the opportunity?

Accountants can be great at making the case for why clients shouldn't do something. But, your client might have a brilliant idea. After all, someone dreamed up Uber, Airbnb, Grubhub, Wayfair and Blue Apron. Let's assume your client is motivated, knows how to run a business and has a decent business plan.

Here are some reasons why this might be the ideal time for your client to start their business:

- Office space is available and might be cheap: Everyone is talking about "working from home" as the newest business model. Firms don't need all that office space. Commercial property firms need to get rents coming back in again. Depending on your city and the practicality of subletting, your client might be able to get a decent deal on office space.
- There was supply chain disruption: How many major companies discovered there was no Plan B when the virus took hold in China and the country went into lockdown to combat its spread? Lots. Many have been looking for alternative sources of supply. If your client's new business can fit this need, they might find lots of interest.
- The government is buying: They can be your client's biggest customer. "Buy American" is a popular theme. The government tries to give preferential treatment to companies owned by minorities, women and veterans. When Samuel Cunard built his first ships in 1840, it wasn't because he thought there was pent-up demand for luxury ocean travel. He had a government contract to deliver mail from Britain to Canada via weekly steamship service.
- Has money ever been cheaper? Your client will need lots more money. The bank likes to see the client is investing alongside them. Assuming they will lend money and your client has a good credit rating, interest rates remain near historic lows. The rationale it's a terrible time to put your money in the bank to earn interest makes it a great time to borrow money at a low interest rate. It's likely to be variable, but now it's low to start.
- Talent is available: Your client will need to hire the right people. Many people are looking to return to their old jobs as the economy recovers, but others are now open to new opportunities. Your client might be able to offer them equity participation once the business gets started.
- There is pent-up demand: There are plenty of people coming out of lockdown ready to spend. Different segments of the economy will recover at different speeds. Bars, restaurants and hair salons should be bouncing back now. Travel and the cruise industry may take longer. Can your client's business tap into pent-up demand?

You can discuss the cautionary factors they should consider, but you should let the optimist inside you come out, too. Remember the saying, "Out of crisis comes opportunity."

Bryce Sanders is president of Perceptive Business Solutions Inc. in New Hope, Pa. He provides high-net-worth client acquisition training for the financial services industry. His book, Captivating the Wealthy Investor*, can be found on* ***Amazon.com****.*

This article was originally posted at ***AccountingWEB.com*** *(****www.accountingweb.com/practice/clients/9-reasons-now-could-be-the-ideal-time-to-start-a-business****) and is reprinted with permission.*

THREE THINGS

1. Events of the past year have created uncertainty, but they've also created opportunity.
2. Perhaps now more than ever, accountants are well-positioned as trusted business advisers.
3. Available office space, cheap credit and pent-up demand are just a few of the reasons that now might be a great time to start a business.

FEATURE

By Jessica Salerno, OSCPA senior content manager

A GOOD MIX:

CPAs learn that entrepreneurship, accounting blend well

Accountants understand how businesses are run and what it takes to be successful. And for many CPAs, their accounting background has been the ideal foundation to become entrepreneurs.

"As a CPA, you get to see a lot of businesses and talk to those owners and really understand what works and what doesn't," said Jacob Schroeder, CPA. "You experience a lot of things as an accountant that most business owners only experience by doing."

An entrepreneurial spirit

Schroeder says he didn't "always have an entrepreneurial spirit," but does consider himself an "ideas person."

He launched his own accounting firm, Ascend Consulting, about five years ago with a partner after a tax season experience at a previous job left him thinking of better ways to serve clients. He's since become the co-founder of Hydda Living, a company that builds portable workspaces.

While Schroeder said at first it felt "terrifying" not having the safety net of a salaried position at a company, he said he solved new problems along the way, and it's helped him be a better adviser for his clients who also own businesses.

"Once you actually get through that plunge, it becomes a lot easier," he said.

Amy Vetter, CPA, grew up with a family of entrepreneurs, and said she always knew she would be a business owner one day, even if she wasn't sure what that business would be.

"I grew up around entrepreneurs trying to find creative ways to succeed," she said. "And to be able to create a business that is not only profitable but benefits their family and do something they love every day."

Vetter is the CEO of The B3 Method Institute, the owner of yoga studio DRISHTIQ Yoga and a member of the Ohio Society of CPAs Executive Board. When she was young, her mother – who owned a maid service – would take her to trade shows with other business owners. Once Vetter was in high school she began asking the people she met at the shows what she should study in college.

"Their answer was always, 'If you know accounting, you know the language of business,'" she said. "And that gives you the foundation to do whatever you want to do as far as a business owner."

An appreciation for risk-tasking

Entrepreneurs are known for taking risks, which isn't necessarily a trait associated with the profession. But Schroeder said an accounting background can be a benefit when judging a risky venture.

"That's one of the biggest things about being an entrepreneur is you have to learn to manage risk," Schroeder said. "And having an accounting background uniquely situates you to help manage risk a little better, from a financial sense, at least. But you can also take those same principles and roll them into a lot of other portions of your business operations."

For Steve Wenzlick, CPA, owner of Draft Financial, a firm specializing in the craft beer industry, the CPA training helps him consider all the potential impacts from taking a risk.

"The risks that I do take tend to be very calculated, where I've thought about it so long that I've identified everything that could possibly go wrong," he said. "I think it helps me plan and prepare for worst case scenarios a little bit more to mitigate that."

"I have this entrepreneurial mindset, but I do have my CPA head at the same time," Vetter said. "I'm not risk adverse, but I am very careful as an entrepreneur to know where my limit is, kind of like when you go into gamble."

Wearing different hats

When CPAs make the transition to become business owners, they are presented with a new set of challenges. Now in charge of a business they are passionate about, it might take some time to adjust to making decisions as an entrepreneur while balancing the perspective of a CPA.

"You have to be aware of that and apply your own advice to yourself and say, 'If this was a client, what would I tell them?'" Schroeder said. "Even though that may not be what your gut wants you to do in that case, because you're passionate about your business, sometimes taking the objective view is really good there."

He noted sometimes as a CPA it can be hard to "take your own advice," but it's critical to consider different perspectives, and know when you don't know all the answers.

Vetter said her CPA expertise was put to the test during the pandemic, as both her businesses – speaking at events and a yoga studio – are reliant on in-person interactions. She said she had to make some tough decisions and contact other CPAs for their advice.

"I also know to use other CPAs and to ask the right questions," Vetter said. "I'm not a tax accountant. I was an auditor, and I do client advisory services. Tax was never something that was my expertise. So, I know the value of hiring a tax accountant and a CPA, even though I am a CPA, because they're working in it all day long every day."

Strengthening new skills

Owning a business can often reveal the level of soft skills a CPA has, Schroeder said, because many business owners have to be the face of their company. Responsibilities such as managing teams, hiring staff and appealing to customers all require a strong level of emotional intelligence and soft skills to be successful.

For Wenzlick, his time spent as CFO in corporate positions revealed all that can come with running a business, and that some decisions are more difficult than they might first appear when you're now the one in charge.

"This past year there's been a lot of things that have come up for my clients that they've needed, as a result of the various different types of relief available," Wenzlick said. "And some of those things pushed me out of my comfort zone in the sense that I needed to go and obtain the knowledge to do it."

Entrepreneurship and the accounting pipeline

While the profession continues its efforts to diversify the talent pipeline, one advantage of accounting has always been the opportunities that come from its strong foundational knowledge. That's a foundation Ogochukwu Obiagwu said she benefited from as a student interested in entrepreneurship.

"I always felt if I'm able to have this accounting expertise, I would be able to know the ins and outs of the business world," Obiagwu said.

Obiagwu graduated from The Ohio State University accounting program in 2020 and is now studying for her CPA license. She attended the Ohio CPA Foundation program ACAP-Ohio in 2015 and said that program opened her eyes to the opportunities in accounting.

Her entrepreneurial journey began in 2012 when she started making and selling her own clothes, which later became her African streetwear brand, ByOgochukwu. After entering college a few years later, she found she enjoyed helping others with their own personal development and started Secure that Bag, a resource dedicated to helping students find scholarships, internships, conferences and more.

She said her accounting education empowered her in making decisions for those businesses and helped fuel her growth as a professional. In the fall she'll start working at EY as a technology risk adviser, and said she's looking forward to growing her accounting expertise.

"Being able to understand the intricacies of the numbers will help me sustain my business projects moving forward," she said.

Advice for future accounting entrepreneurs

For those considering entrepreneurship, Vetter recommended working on it on the side first, to decide if this is something that might fit your life and interests long-term.

"The best way to do it is to tip your toe in the water, not to keep hemming and hawing about it," she said. "You've got to do it to know if you want to."

And if owning your own business doesn't feel like the right fit, Vetter said there are opportunities in companies to flex entrepreneurial muscles, such as trying out a new line of business like advisory services. Vetter will discuss that topic this fall at OSCPA's Virtual Accounting Shows.

"There are so many jobs that are created just from someone saying to their boss, 'I want to head this up, I want to try this,'" she said. "And sometimes that means you're still getting paid a normal salary but you're starting up something new in the business."

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diversity equity + inclusion

Diversity efforts can improve by seeking more voices

By Tiffany Crosby, CPA, CGMA, MBA, OSCPA chief learning officer

The accounting profession has made concerted efforts in recent years to increase diversity. Here at OSCPA we have done so for 25 years through various programs such as the Accounting Careers Awareness Program (ACAP-Ohio).

Yet, despite this work, the racial and ethnic diversity in the higher levels of accounting remains stagnant, with representation stuck at the 1%-3% range on average.

While organizations have done a better job increasing racial/ethnic diversity at the entry levels, at around 4%-6%, we're finding less success in retaining those employees and ensuring they advance.

Why?

That's one of the questions I am tackling as a part of my research and studies for a doctorate degree in strategic leadership. It's my hope that understanding the lived experiences of diverse individuals across a spectrum of diversity dynamics will allow us to create the inclusive environments that we desire as a profession. My current research is focused on only one sector of the diversity spectrum though other dynamics will be scheduled in the future. Specifically, I am taking a close look at the experience of Black women in public accounting at the senior manager level and up. How are black females experiencing a career in public accounting? What experiences have they had that have shaped their decision to stay or exit? What have they encountered as they've progressed levels, and how are those encounters different from – and similar to – their peers'?

One dominant sentiment revealed through the research is that competence and capabilities of Black women are more highly scrutinized and questioned. Though their portfolios are often similar to their peers, they still find people questioning whether they achieved their position as a result of their competence, or because of their ethnicity and gender.

What are they experiencing? Exclusion, loneliness, frustration and stress because they don't feel included, and they think they must constantly prove themselves.

Another striking feature of many studies on diversity is this: researchers are not contacting the people whose experience are being studied. The detailed experiences of people of color working in the profession are noticeably absent from the research literature. There are exceptions, such as McKinsey's study on Race in the workplace: The Black experience in the US private sector. McKinsey's report speaks to a broader audience than accounting.

The result? Very few diversity initiatives have been created in cooperation with the people they are intended to help. That has created some unintended consequences:

- Painting a broad brush with diversity efforts has masked the fact that some demographics have not benefitted from diversity initiatives to the same extent as others. Black and Latino women have benefitted the least. Diversity data is generally disaggregated by either gender or ethnicity, which makes it more difficult to evaluate the progression of individuals that live in the intersection.

- Diversity-focused mentoring and coaching programs have unintentionally signaled that the work of inclusion is the responsibility of the diverse professional. Furthermore, these programs have left an impression with recipients that there is something "wrong" with them that needs to be fixed before they can be considered as qualified for advancement as their peers. However, the research points to a need different than mentoring and coaching. Black women have instead expressed a need for sponsors to open the doors to concrete and realistic opportunities.

Leaders must be open to hearing the perspectives of professionals within the targeted demographics without judgment, without requiring people to defend those experiences or feelings, and by accepting those lived experiences – even if it makes the listener uncomfortable.

From there, they must put action to address what they hear. They should ask themselves: What will I do about this? What will we commit to make people's lived experience better?

As firms release diversity, equity, and inclusion reports, bold goals to increase racial and ethnic diversity have been set. To ensure that, this time, such projects get the results they seek, leaders should take care to invite people from all backgrounds into the conversation to share their experiences.

Tiffany Crosby, CPA, CGMA, CTP, MBA, is the director of learning at The Ohio Society of CPAs.

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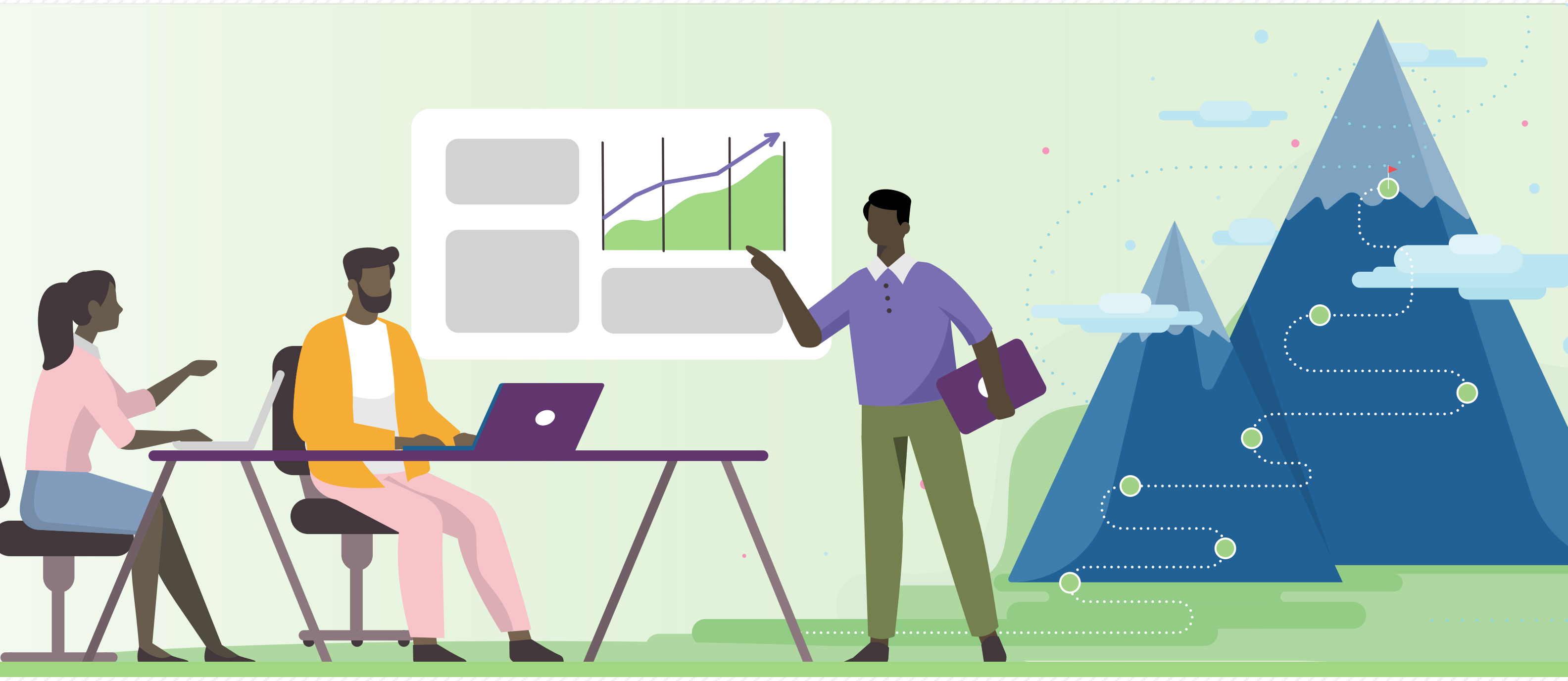

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5 steps to better project management in a remote team

By Liesl Walser

If you manage or work in a remote team – as most of us do these days – you probably appreciate the flexibility that comes from working anytime, anywhere and avoiding a long commute. But one aspect of remote work can be challenging: getting a team to collaborate well on a major project.

Most firms today juggle several projects in addition to their regular client work. Teams might evaluate new technologies, recruit and train talent, work on process improvement initiatives, prepare annual budgets, and more.

In the office, it's easier for the team to stay on top of such projects. You can get together for weekly status update meetings or stop by a coworker's office to ask a question. However, if you're not used to collaborating on a big project remotely, emails can go missing in a crowded inbox, and tasks can fall through the cracks. That's when a project manager can help ensure people stay on task and meet deadlines.

When I joined Boomer Consulting, Inc. as a Project Coordinator, I didn't have any prior formal project management experience or project management certifications. What I did have is a love of planning, organization and deadlines. And while I plan to expand my formal knowledge in this role, I've learned a lot about what it takes to successfully shepherd projects to completion with a remote team.

Set a vision

In any successful project, the first step is to create a vision for your team. What do you want this project to accomplish?

When creating your vision, it's helpful to follow the "Action, Deliverable, Criteria" format. For example, if you're trying to choose a new document management system, your vision might be, "To select a new document management system that is cloud-based, secure and integrates with our client portal."

The right vision gives team members a reason to contribute and ensures everyone is on the same page about the project's purpose.

Create goals, celebrate milestones

To keep your project on track, it's important to break it up into smaller steps, establish deadlines for each task along the way and assign responsibility. This helps the team avoid procrastination, because open-ended tasks tend to get the lowest priority on everyone's to-do list.

For example, going back to the document management system project, your project's milestones might include coming up with a list of potential solutions, scheduling demos, gathering feedback after each demo and selecting a solution. Reaching each of these milestones can be an opportunity for celebration.

These celebrations don't have to be elaborate or expensive. You can simply send out a message of gratitude on Slack or Microsoft Teams, give team members an afternoon off, or have a virtual celebratory lunch.

Prioritize communication

Communication is one of the most important aspects of project management. It keeps everyone engaged, motivated and on the same page.

In a remote team, having a project management system is especially helpful. At Boomer Consulting, we use Asana, but there are several other options out there. These tools allow the team to see where the project stands and provide updates and serve as a communications record. This is extremely helpful when your team is completely remote, and you can't simply walk into someone's office to check on the status.

Follow up

A project manager's role isn't to perform tasks required to complete the project but to hold others accountable for completing their tasks. Without follow-up, projects can fall way behind schedule. But if you follow up with people consistently, you can respond quickly to potential issues by adding more resources or adjusting the project's overall timeline.

Remember, when checking in with team members, it's not just about deadlines and budgets. Also check on your team members' well-being. This is more important than ever when people may be trying to balance work with caring for family members or dealing with other pandemic-related issues.

Seek continuous improvement

One of the most important steps in a successful project comes after its completion.

Set a time to meet once the project is complete and discuss what went well, what didn't, and what you can improve going forward. Even a small project can become a learning opportunity that will help you manage larger projects better in the future.

If you're at the start of a project or have a new project coming up soon, consider appointing someone to the project manager role. You may not need someone with extensive project management experience, just someone who knows what needs to be done, is organized and adept at communication. With the right people on your team and a process to see it to completion, you'll enjoy much better outcomes from projects with many moving parts.

Liesl Walser is a project manager for Boomer Consulting, Inc.

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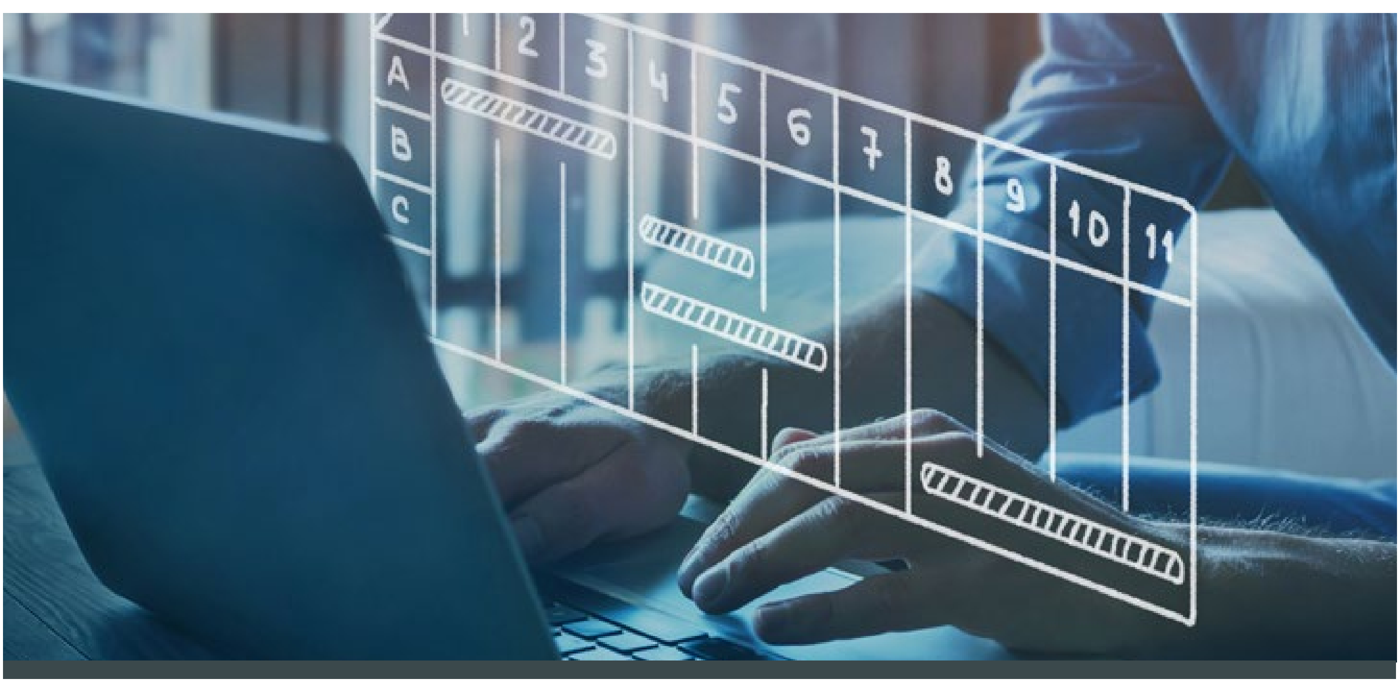

John McCarthy, CPA
McCarthy Tax Preparation

CPA committed to giving back through his business

By Jessica Salerno, OSCPA senior content manager

After the first 20 years of his career working in corporate America, John McCarthy, CPA, felt something was missing.

"When you work for a large corporation, sometimes it can be hard to feel that you're making a difference," he said.

He decided he wanted more flexibility and autonomy in his career, so about five years ago he opened McCarthy Tax Preparation. Before this he said he'd always worked a "regular W-2 job," having spent time at a public accounting firm where he had the opportunity to work with small businesses and prepare tax returns, along with working at larger companies where he learned more about worldwide operations.

Using knowledge gained from those experiences, McCarthy said it gave him a framework when considering how to run his own firm.

"I've always found it's rewarding to work with clients and find them ways to save taxes on a one-on-one level," he said. "I've always been interested in that and just decided to pursue it further."

Now as a business owner, McCarthy said some of the most rewarding parts are watching his employees grow and his ability to give back to meaningful organizations.

"It's important from a diversity and inclusion standpoint that we're creating a varied workforce," he said. "And that's part of why we've chosen to contribute to the Ohio CPA Foundation to support those efforts."

McCarthy said it can be difficult to find skilled employees, and he appreciates efforts to diversify accounting and expose more students to the profession. His business started giving a percentage of revenue to the Ohio CPA Foundation for every client that was brought in, and he said the goal is to increase that amount as time goes on.

Every bit counts when it comes to supporting the efforts to diversify the pipeline, McCarthy said, and even if a business is small, they can still make an impact.

"If all of the small firms out there made the same dedication to this, we can make a big dent in the DE&I area," he said. "And ultimately you're bringing more people to the CPA credential and bringing them into the accounting profession."

"I have truly enjoyed being an OSCPA student ambassador! I create videos of myself giving presentations about careers in accounting and send them to various professors at Ashland University as well as community colleges and career centers. I am learning a lot of great ways to communicate virtually through this experience, which is great."

Breanna, Ashland University

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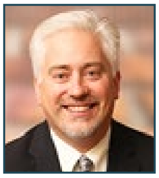
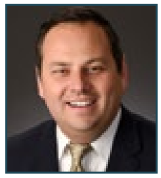


Mark McKinley, CPA



Stephen Worth, CPA, JD

AKRON

Professional services firm **Sikich** has been recognized as a “Great Place to Work” through the Great Place to Work Trust Model™ certification process. The firm received positive remarks from 94% of employees.

CANFIELD

Packer Thomas was ranked among the best firms in America as reported in Forbes Best Tax and Accounting Firms List 2021.

CLEVELAND

HW&Co. has been named a Cleveland Top Workplace for the ninth time by the Cleveland Plain Dealer; and a “Best Workplace in Ohio” by *Ohio Business Magazine*.

Brandon Miller, CPE, CGMA, president & CEO at HW&Co., was named to the PrimeGlobal North America Regional Council.

Jon Watts, CPA, managing tax director in the private client group, has become a shareholder at Clearstead.

COLUMBUS

Mike Abramo, CPA, MSA, partner at Plante Moran and an OSCPA member since 2010, was named to Columbus Business First magazine’s 29th 40 Under 40 list for 2021.

John Snoble, CPA, MBA, a partner at KPMG and an OSCPA member since 2021, was named to Columbus Business First magazine’s 29th 40 Under 40 list for 2021.

Stephen Worth, CPA, JD, has been named tax shareholder at Schneider Downs to lead the firm’s State and Local Tax practice.

NEW PHILADELPHIA

Mark McKinley, CPA, has been chosen as the sixth CEO at Rea & Associates. He will formally step into the role on Nov. 1.

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8/19	12:00 p.m. – 1:00 p.m.	**OSCPA Town Hall & Annual Meeting**	1 credit	MS
8/25	8:00 a.m. – 4:30 p.m.	**Financial Institutions Virtual Conference**	8 credits	MULTIPLE
9/01	10:30 a.m. – 4:00 p.m.	**Advisory Services Virtual Conference**	5.5 credits	MULTIPLE
9/17	8:00 a.m. – 4:30 p.m.	**Fall CPE Virtual Conference**	8 credits	MULTIPLE
10/20	8:00 a.m. – 4:30 p.m.	**Health Care Virtual Conference**	8 credits	MULTIPLE
10/26–27	8:00 a.m. – 4:30 p.m.	**October Virtual Accounting Show**	16 credits	MULTIPLE
11/16–17	8:00 a.m. – 4:30 p.m.	**November Virtual Accounting Show**	16 credits	MULTIPLE
12/08	8:00 a.m. – 4:30 p.m.	**Winter CPE Virtual Conference**	8 credits	MULTIPLE
12/10	8:00 a.m. – 4:30 p.m.	**Fraud and Forensic Virtual Conference**	8 credits	MULTIPLE
12/14–15	8:00 a.m. – 4:30 p.m.	**MEGA Tax Virtual Conference**	16 credits	TX

Ohio Professional Standards and Responsibilities

Sept. 29 | Dec. 11
8:30 a.m. – 11:15 a.m. | 3 credits
RE

1040 Individual Tax Tune-Up

Oct. 28 – 29 (in-person & webcast)
8:30 a.m. – 4:30 p.m. | 16 credits
TX

2021 Fall Advance

Nov. 10, 12, 18 & 22
3 credits
MS

Crossing Bridges Series

Inclusive Collaboration and Team Building

On-Demand
1.8 credits
PD

Robotic Process

Automation Strategy for Business Leaders: AICPA Certification Program

On-Demand
7 credits
IT

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TX Taxes	AV Auditing (Government)	CA Computer Software & Applications	EC Economics	PR Production	MS Management Services	FI Finance
BM Business Management & Organization	CM Communications & Marketing	ST Statistics	HR Personnel/ Human Resources	SK Specialized Knowledge	PD Personal Development	MULTIPLE

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