

<http://morriessex.imanet.org>A Tradition Helping Develop Successful
Accounting and Financial LeadershipVolume 90 Issue 3
November 2018

**Please join us for 2 CPEs on
Tuesday November 13 at 6PM**

**for Spouses Night
Featuring
Cybersecurity Issues**

**Presented by
Vikas Bangia**

**The Grove at Randolph
Randolph Diner, 517 Rt. 10 South,
Randolph
Cost \$35 (College Students \$25)**

Vikas Bangia, CISSP, GCIH, GPEN is a Senior Vice President and Senior Information Security Architect at a private wealth management firm. In his current role, he is responsible for security architecture and deploying tools and technologies, and security monitoring to mitigate cyber security threats.

Prior to his current role, Mr. Bangia served as a Project Manager for Ernst & Young focused on encryption technologies. Prior to that Mr. Bangia was the Information Technology Manager at a global fragrance and flavor company.

Mr. Bangia is a member of the SANS Advisory Board and InfraGard. He is a GIAC Certified Incident Handler and Penetration Tester and holds the Certified Information Systems Security Professional (CISSP) and Cloud Security Systems Professional (CCSP) certifications.

Mr. Bangia is a graduate of the Executive Information Technology Management program at Columbia University. He earned his B.S. in Biochemistry from The Ohio State University.

**Please Register at [http://morriessex.imanet.org/
morriessexchapter/events](http://morriessex.imanet.org/morriessexchapter/events)**



President's Message

Fellow Members,

The cold fall weather and nor'easter arrived late October but that didn't stop our dinner meeting members from warming up a few bodies at the Morristown Market Street Mission. In fact over 40% of the attendees contributed to our Community Service Initiative by filling up Don Philips car with coats, scarfs, hats, etc. We will participate again next year so please keep us in mind when emptying your closets.

We shall be having our Spouses Night at the IMA Holiday dinner this November 13th. Cyber security is an issue that impacts you, your loved ones as well as many businesses. One can never be too prepared for an issue that could wipe out your hard work and earnings. Fortunately, we were able to secure one of the country's top experts, Vikas Bangia, to educate us on what hackers are currently using to steal information from corporations and individuals. If you missed Mr. Bangia's presentation a few years ago, come join us for this "Must See" presentation, updated with the new content.

Our efforts on getting students involved with IMA continues. Besides the Student Chapter at NJIT, we have received interest from the County College of Morris and Centenary University. Volunteers are always welcome to spread the IMA word and your business experiences to our youth.

I would like to thank the recent new faces attending our fall dinner meetings and hope to see you attend future meetings. Thanks also goes out to our hard working Leadership Team and guests. Have a Happy Thanksgiving!

Very truly yours,

Bill Grammaticas

Morris-Essex Chapter President, 2018-2019

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Contributors: Paul Natalizio IV (Editor), Bill Grammaticas, and Don Phillips

Chapter Leadership Team Member Austin Murphy Honored



Austin Murphy receives the Gold 1st Place Award for 2017-18 Community Service, which the Chapter received at the IMA Annual Meeting in June. Austin is a weekly volunteer speaking with cardiac patients and their family members during their cardiac rehab orientation at Valley Hospital's Cardiac Rehab Lab in Ridgewood. Don Phillips made the presentation to Austin during our October 23 meeting.

CMA Subject and Financial Fact

We are often asked, "Who is the CMA for?" Our answer is it is for the accounting experts who feel they need a little more knowledge and skill with financial issues, finance experts who need a little more knowledge and skill in with accounting issues, or employers who realize they have a knowledge and skills gap on their staff who would benefit from the CMA skillset. Each month, we try to provide our readers with information which would help them decide pursuing the CMA designation is achievable at any age. This month, we will challenge you with a couple former questions on the CMA exam. Check to see if you get the correct answers elsewhere in the newsletter and then commit to pursue the CMA designation. Best wishes for success on your CMA exams.

1. RJR Company assembled the following information regarding inventory policy. The company uses a 50-week year in all calculations.

Sales 10,000 Units per Year	Order Quantity 2,000 Units	Safety Stock 1,300 Units	Lead Time 4 Weeks
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The reorder point in Units is:

A 3,300	B 2,100	C 100	D 1,300	E 5,200
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2. Integrity is an ethical requirement for all management accountants. One aspect of integrity requires:
 - A. Performance of professional duties in accordance with applicable laws
 - B. Avoidance of conflict of interest
 - C. Refraining from improper use of inside information
 - D. Maintenance of an appropriate level of professional competence
3. Which of the following statements is true for a firm that uses direct (variable) costing?
 - A. The cost of a unit of product changes because of changes in number of units manufactured
 - B. An idle factory variance is calculated
 - C. Profits fluctuate with sales
 - D. Product costs include "direct" variable administrative costs
 - E. None of the above

Your Company Name and Logo could be here!

Put your company name and logo in front of hundreds of your fellow Morris-Essex IMA members by supporting our Chapter.

There are many ways to get involved in our newsletter, on our website, and at our monthly meetings!

Please contact morrisessex@imachapter.org for more information on all of our sponsorship opportunities.

New Member Welcome

Please welcome our new Chapter member(s):

James Rosario

Our Chapter's Leadership Team extends a warm welcome to our new members and hopes everyone will attend future professional development meetings and volunteer to contribute in some way to our Chapter's future successes.

Morris-Essex Chapter Calendar of Upcoming Meetings for 2018-2019

Date	Topic (1 CPE credit unless otherwise noted)	Speaker - Organization	Theme
Tues, Dec 18, 2018	TBD	TBD	Past Presidents
Thu, Jan 17, 2019	Tax Reform for 2018 Returns	Dan Gibson – Eisner Amper	Bring an Associate
Tues, Feb 19, 2019	Big Data	Alissa R. Wuerfel - KPMG LLP	CMA Recognition
Tues, Mar 19, 2019	TBD	TBD	Young Professionals
Thu, Apr 25, 2019	TBD	TBD	Student & Faculty Recognition
Tues, May 21, 2019	TBD	TBD	Member Recognition

Your Leadership Team is continuously working to arrange another year of excellent speakers and topics for your CPE-earning and networking pleasure. We are always looking to add speakers and topics, so please let us know if you have any ideas or suggestions for the upcoming Chapter year. As always, please check your monthly newsletter or <http://morisesssex.imanet.org> for any updates during the Chapter year.

Earn Free NASBA-Approved CPE by Attending Live Webinars at <http://www.imanet.org/education-center/Webinars>

Date	Time (EST)	Webinar Type-Topic (CPEs available)
Mon, Nov 5	1:00PM	Inside Talk-Step Up Your Tech (1.5)
Tues, Nov 6	1:00PM	Leadership Academy-Successful Conflict Negotiation (1.5)
Wed, Nov 7	1:00PM	Inside Talk-5 Tips for Leveraging Scenario Planning in 2019 (1.0)
Wed, Nov 14	1:00PM	Inside Talk-Balancing the Need for Quick Wins Against a Strategic Vision in Digital Transformation (1.0)
Wed, Dec 12	1:00PM	Inside Talk-Technology Trends Accountants, Controllers, and CFOs Need to Know (1.0)

Opportunity for Morris-Essex Chapter Members to pass the CMA Exam

The Morris-Essex IMA Chapter has partnered with Gleim to ensure your success on the CMA exam!

Gleim CMA Review has the largest exam-emulating test bank of multiple-choice and essay questions, our popular CMA exam instructional videos, and a no-hassle Access Until You Pass® guarantee. Pass the CMA exam with Gleim CMA, the #1 CMA Prep Course on the market which has trained more CMAs than other course available.

GLEIM
CMA Review Redefined™



Place your order directly online by going to <http://www.gleim.com/IMAMorris>. Contact Melissa Leonard at 800.874.5346 or imachapers@gleim.com to learn about these discounts you are eligible for as a Chapter member.

The College Corner

Have you noticed baseball players carrying a bag with their gloves, bats, baseballs, and more in it? Other sports athletes in tennis, soccer, football, fencing, and more do the same. Most professionals have a similar tool bag or toolbox, too. We are going to help you develop the tools and experiences for your career toolbox. We are offering some ideas to help students **differentiate** themselves from other job or graduate school candidates throughout their college years towards their first career opportunity and beyond. Last month, we helped junior and senior accounting and finance students because of the upcoming Student Leadership Conference November 1-3 in St. Louis at the Hilton St. Louis at the Ball Park. This month, we will provide ideas and tools for first year and sophomore year students studying accounting and finance.

First Year

1. **Focus on Good Grades from the beginning.** Seek out resources for your subject by talking with faculty and students if you need any assistance with a course.
2. **Explore new courses and areas of study.** Select beginning Accounting and Finance courses. Get to know the professors. Talk with students taking the courses.
3. **Explore and discover your career options.** If you were not assigned a Career and Academic Advisor, then contact your Career Services Department to discuss majors, minors, and career options. In the process, speak to your Department head to have an Academic Advisor assigned. Attend Career Service Programs for first year students and learn what resources are available to use. Try them out.
4. **What is your passion?** Hopefully, accounting is your passion. If you are not sure, there are a couple web sites like www.Focus-2career.com and www.MyPlan.com, which have some free services and some services for a small fee, which will help you assess your personality, interests, values, and skills if you are not sure about your passion. Discuss your results with your Career Advisor.
5. **Get involved.** Join student clubs or organizations and participate in campus and volunteer activities.
6. **Begin building your resume, an introductory cover letter, and a business card.** Attend a resume writing clinic. Prepare a business card with name and contact information on the front and a few professional experiences and or goals on the back.
7. **Begin building a career network.** Learn about jobs and internships in the field you and to pursue. Connect with alumni, mentors, and attend events. Ask an Accounting or Finance teacher if it would be possible to attend a Morris-Essex Institute of Management Accountants (IMA) Chapter professional development meeting.
8. **Begin connecting classroom teaching with real world experience.** Search for summer jobs and internship opportunities related to your career interest. This will help you gain knowledge and experience about your career field. Sometimes volunteering precedes paid opportunities, and learning to negotiate is a helpful skill.
9. **Use campus resources.** Look for newsletters and other resources to learn about workshops, events, and part-time jobs.

Sophomore Year

1. **Declare your major, if you haven't already.** This is the ideal year declare your major. If you need help, speak with your Academic Advisor about course decisions. Keep focused on good grades in all courses, especially your major.
2. **Meet with your Career Advisor.** Meet with your academic and career advisor to ensure you are on track for graduation and beyond. Learn how to link your major to various career opportunities.
3. **Update your resume and your other Marketing tools.** Continue updating your resume and cover letter as you apply for and complete internship work. Ask your mentor to review them. Do you have a Linked In profile? Write down your short-term and long-term career goals. Conduct at least two informational interviews.
4. **Attend on Campus Career and Internship fairs and workshops.** This shows your interests to prospective employers. You gain valuable information, too.
5. **Network with employers, alumni, and professional organizations.** Connect with employers at on or off campus professional events and find a mentor through a professional organization (like the Morris-Essex IMA Chapter), through campus Accounting and Finance Department career networks, or your Career Services Department.
6. **Continue building your career network.** Connect with employers at on or off campus events like at a Morris-Essex IMA Chapter Professional Development meeting, or a career fair. Join a student chapter of a professional organization (like IMA) related to your major.
7. **Look for internship opportunities for the summer.** Do on-line research or look at newspapers for companies with internship opportunities. Apply for an internship; this builds practical experience in your career field. Maybe you can register your internship for class credit.
8. **Other Student Opportunities.** Did you talk with fellow students about forming a team to participate in the IMA Student Case Competition, and did you consult with your faculty about this opportunity? Did you research all available scholarship opportunities through campus sources and professional organizations like an IMA case writing submission or submitting a term paper for publication?

IMA's New Certification CSCA – Certified in Strategy and Competitive Analysis

Enhance your CMA certification by focusing on strategic planning, competitive analysis, and decision making.

On-line education material with NASBA CPE credits awarded upon successful completion of course tests

You will take one 3 hour exam with 60 multiple-choice questions and 1 case study covering the following areas:

Strategic Analysis	Explore the fundamentals of strategy, take an in-depth look at analytical tools using strategic analysis and environmental scanning.
Creating Competitive Advantage	Examine strategies that can lead an organization to achieve and sustain competitive advantage.
Strategy Implementation and Performance Evaluation	Learn how to effectively implement strategy and evaluate its success.

Various Resources Offered to Candidates:

➤ **Content Specification Outline**

The content areas that you'll need to master in order to pass the CSCA exam.

➤ **Learning Outcome Statements**

An in-depth description of each exam subtopic so you can easily gauge your readiness.

➤ **CSCA Candidate Handbook**

The go-to resource for information on the requirements for certification: registration procedures, scheduling exams, and the examination process itself.

➤ **Reading List and Resource Guide**

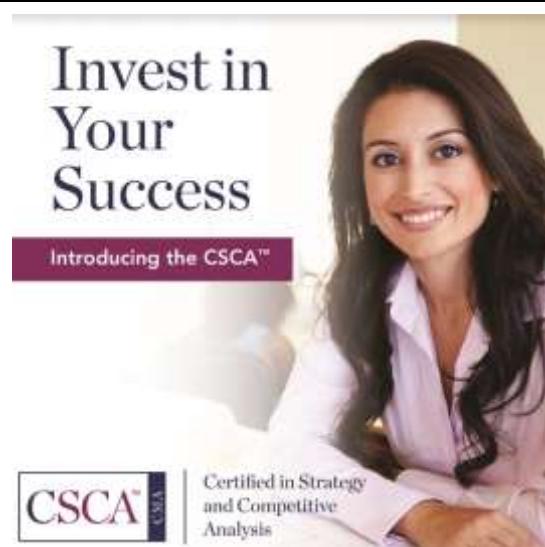
Focus your efforts with this valuable guide that maps exam topics to specific textbook chapter references.

➤ **Ratio & Formula Definitions**

A listing of all financial ratios covered on the CSCA exam.

➤ **IMA Strategy and Competitive Analysis Learning Series™**

An online set of courses and practice questions offered as part of the program fee.



CSCA Program Fees: \$1,200

1. Entrance into the CSCA program
2. One exam registration
3. Access to the IMA Strategy and Competitive Analysis Learning Series™ (2 year subscription)

Need more Info? Check out <http://www.imanet.org/cscsa>



IMA MicroCPE: bite-sized courses

Do you seek flexibility in your continuing education options? Are you short on time and would prefer to learn on-the-go?

IMA is excited to introduce "IMA MicroCPE™," our first-ever micro learning subscription package worth up to 14+ CPE credits. These mini courses, 10 minutes on average, allow you to learn bit by bit—anywhere, anytime, at your convenience.

Each course is eligible for 0.20 NASBA CPE credits. Customize your learning by choosing from 70+ video-based courses on topics such as fraud risk, financial statements, revenue recognition, and financial analysis.

We know that you are a busy professional.

Learn and earn credits around your own schedule, on your own terms, with IMA MicroCPE!

Get started at: <https://IMAonlinestore.com/PersonifyEbusiness/Product-Details/productId/46920857>

The Market Street Mission's 28th Annual Coat Giveaway

This is the second year our Chapter participated in this worthwhile Community Service Project. At our October Professional Development meeting, we collected donations of coats and other clothing for men, women, and children from seven chapter members: Christine Denison, Andrew Kraft, Austin Murphy, Don Phillips, Charles Rall, Latashia Satterfield Ogunlana, and Alan Shandler.

The donations filled five 40 gallon plastic bags, which were delivered to the Mission's Thrift Shop the next day. These donations will be sorted and part of their 28th Annual Coat Giveaway on The Green in Morristown on November 3. We are joining many local businesses and colleges in the Morristown area who participate in the collection and distribution process.

The Market Street Mission is a non-denomination organization ministering to the homeless, helpless, and hopeless in Northern NJ by meeting their physical, emotional, and spiritual needs through a structured program, which enables them to lead responsible, productive lives.

The Mission meets people's physical needs with food, shelter, clothing, and other necessities, and their emotional and spiritual needs with guidance and life change programs.

The Mission's main concern is meeting the critical needs of homeless and disadvantaged men, women, and children through their emergency services program. The organization provides tens of thousands of meals and nights of lodging each year.



Their programs help men recover from alcohol and drug addiction are designed to offer a "hand-up" rather than a "hand-out". Their 8 to 12 month residential treatment program includes daily work at the Thrift Store, Bible study, a daily chapel service, group and individual counseling, AA/NA meetings, and computer assisted and classroom instruction.

This vision has been at the heart of the organization since 1889. Did you know the Mission hands out back packs to school children before they start in the fall?

Last year the Mission served 224 individuals/families, and the Coat Giveaway distributed over 726 coats! They hope to do more this year. The Morris-Essex IMA Chapter's leadership team and project leader Latashia Satterfield Ogunlana thanks our members for doing their part.

CPE Thought for the Month

GDPR (General Personal Data Regulation) and Personal Data

Replaced 1995 EU
Data Protection
Directive

Sets guidelines for the
collection/processing
of personal
information of EU
citizens

Requires a business to
protect EU citizens'
personal data and privacy

Went into effect on
5/28/2018

The definition of what
constitutes personal
data now includes
much more such as:→

Major Penalties:
FAILURE TO COMPLY?
4% REVENUE OR €20 MILLION
WHICHEVER IS HIGHER



CMA Subject and Financial Fact Answers

Answers to this month's questions are:

1. The correct answer is (B). The reorder point is the inventory level at which an order should be placed. This level is the inventory to be sold during the lead-time plus the safety stock. If weekly sales are 200 units (10,000/50 weeks) and the lead-time is 4 weeks, sales during this time should be 800 units. Adding the 800 units of expected sales to the 1,300 units of safety stock produces a reorder point of 2,100 units.
2. The correct answer is (B). According to IMA Statement of Ethical Professional Practice, management accountants must "avoid actual or apparent conflicts of interest and advise all appropriate parties of any potential conflict". Answers (A) and (D) are incorrect because each states an aspect of the competence requirement. Answer (C) is incorrect because it states an aspect of the confidentiality requirement.
3. The correct answer is (C). In a direct (variable) costing system, only the variable costs are recorded as product costs. All fixed costs are expensed in the period incurred. Because changes in the relationship between production levels and sales levels do not cause changes in the amount of fixed manufacturing cost expensed, profits more directly follow the trends in sales. Answers (A) and (B) are incorrect because each is a characteristic of absorption costing systems. Answer (D) is incorrect because neither direct or absorption costing includes administrative costs in inventory.

Pictures from our October Professional Development Meeting at the Grove at the Randolph Diner

	
<p>Andrew Kraft, Alan Shandler, William Pezzano, and Allen Mendels enjoy dessert as Leon Van Horn of Ernst and Young begins discussing Ethics in Accounting and Business.</p>	<p>Chuck Sgammato, CPA Senior Manager in E&Y's Assurance practice listens as Leon C. Van Horn III, CPA, and Partner in the Life Sciences Industry practice at E&Y talks with chapter members about Ethics in Accounting and Business, which begins with the tone at the top of the organization.</p>

Be a Part of IMA's 100-Year Anniversary Celebration

As part of the kick-off to its 100-Year Anniversary celebration, IMA has created a special website, <http://ima100years.org>, to help members find everything they need to know related to the anniversary and upcoming plans. The site, accessible to members and nonmembers alike, includes:



The Association of
Accountants and
Financial Professionals
in Business

- The exposure draft of IMA's enhanced Management Accounting Competency Framework (<http://ima100years.org/future/>), with an opportunity to submit comments through September 17, 2018.
- A social media wall that will feature rotating content including stories, photos, and videos submitted by members when they Tweet or post on Instagram using #IMA100YEARS.
- Reflections from IMA CEO and President Jeff Thomson, CMA, CSCA, CAE, on IMA's leadership in advancing the profession globally over the last 100 years.
- Timeline of IMA's history.
- An interactive map showing how IMA is thriving around the world, including locations of IMA offices, regions, and schools endorsed under IMA's Higher Education Endorsement program. Also featured: brief vignettes (with photos) from members around the world.
- Link to a 100 Years and Counting book (available in Spring 2019) and other 100-Year Anniversary merchandise. The book, co-written by former IMA Board Chairs Bud Kulesza, CMA, CFM, and John Pollara, CMA, will chronicle the members and milestones of IMA's 100-year history, from modest beginnings in upstate New York to an increasingly global and influential organization.
- Information about the 2019 Annual Conference and Expo in San Diego, CA.

Said Morgan Del Rio, IMA marketing and social media manager, "We wanted to create a special experience for members so that all information related to our 100-year celebration could be found in one place. We encourage all members to check the site frequently, as we'll constantly be posting updates over the next year and more. We're also very eager to hear from members about what impact IMA has had on their lives – look for our postings on social media and share your memories with us."

Finally, the site includes information about the IMA Century Student Scholarship Fund (<http://ima100years.org/contribute/>), a special effort that invites members to support the future leaders of the profession. Members are being asked to contribute \$100 – or any amount, no matter how small – to help fund the ever-increasing costs of education for motivated accounting students.

There are other ways to get involved in the 100th Anniversary celebration:

- Attend the 2019 Annual Conference and Expo in San Diego, CA.
- *Strategic Finance* is looking for members to share their stories. What are your favorite personal experiences involving the IMA over the years? How have management accounting and the profession changed since you first became a member, and what will they be like in the future? Selected stories will have a chance to appear in the magazine. Contact Kathy Williams, editor-in-chief, at kwilliams@imanet.org to share your IMA story.
- Make suggestions for the IMA time capsule: IMA is planning to create a time capsule that will be buried at the association's global headquarters in Montvale, NJ. Share your thoughts about what should be included.



For more information about how to share your stories or photos on the <http://www.ima100years.com> website, contact Morgan Del Rio at morgan.delrio@imanet.org.