A MESSAGE FROM THE PRESIDENT

Dear Members,

Thank you for your continued support of our Chapter and our programs. We are just a small part of a global network of over 300 professional and student chapters that span into 140 countries. Our organization is the only one to offer the Certified Management Accountant (CMA) Certification which is earned through a multi-part exam. Our Chapter is currently planning more initiatives to support our CMA members and candidates and would love to hear how we can support you. If you are a current CMA or planning on taking the exam please contact Lucy Mazany at lmazany@signatureny.com.

The IMA Annual Conference is being held in Denver, Colorado from June 17-21, 2017. I invite each of you to consider attending the Annual Conference and Expo. This conference offers 8 specialty tracks designed especially for the management accountant and includes over 65 educational sessions and an opportunity to earn more than 25 NASBA approved CPE credits. In addition to the educational benefit there participants have an opportunity to attend more than 15 networking events. Early bird registration with up to $300 in discounts will be offered until March 31, 2017. For more information please visit the IMA Conference website at https://imaconference.org/

In March, the monthly dinner program will be a Panel Discussion with CEO’s from three Long Island based companies. Moore GSE Dynamics, Spectronics Corporation and WebAir. This event will be held on March 14, 2017 and I hope to see you there.

Best regards,

Amy Abrie

March 14, 2017 MEETING

Woodbury Country Club
884 Jericho Turnpike, Woodbury, NY
Cocktail Hour begins at 6:00pm - Business Attire

Topic: CEO Panel

Speakers:

Jon Cooper
Spectronics Corp

Anne Shybunko-Moore
GSE Dynamics

Michael Orza
WebAir

Moderators: Steven Kuperschmid, Esq., Ruskin Moscou Faltischek, PC and Lucy Mazany, Signature Bank

For more information and to register for the event, please visit our website at http://longisland.imanet.org
Quote

“I cannot trust a man to control others who cannot control himself.”

- Robert E. Lee

2017 Dinner Meeting Schedule

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<th>Date</th>
<th>Event</th>
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<tr>
<td>April 11, 2017</td>
<td>Integrated Reporting – Reporting of an organization's strategy, governance, performance &amp; prospects in a commercial, social and environmental context</td>
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<td>May 9, 2017</td>
<td>Annual Financial Executive of the Year (FEY)</td>
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Quarterly Breakfast Series

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<td>April 25, 2017</td>
<td>Accounting - Cloud Technology Vs Hard Drive</td>
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<tr>
<td>July 25, 2017</td>
<td>Forensic Accounting</td>
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Gleim Discount on CMA Study Material

The Long Island IMA Chapter has partnered with Gleim to ensure your success on the CMA exam!

The 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. Gleim has over 40 years of success helping candidates pass the CMA exam.

Place your order directly online by going to https://www.gleim.com/IMALongIsland or contact Melissa Leonard at 800.874.534 or lmazany@signatureny.com to learn about the significant discounts you are eligible for as an IMA Chapter member.

Meeting Times

Please note the dinner meetings at The Woodbury Country Club at 884 Jericho Tpke, Woodbury, NY will now take the following format:

6:00pm to 7:00pm - Registration & Professional Networking
7:00pm to 7:30pm - Dinner Served
7:30pm to 8:30pm - Speakers / Q&A / Wrap Up
IMA Global News

The Global Growth of the CMA

By Samuel C. Weaver, CMA, CFM, Ph.D., and Dennis Whitney, CMA, CFM, CAE

IMA’s highly respected certification is becoming more in demand by professionals around the world.

Traveling outside your home country requires a passport, a document that verifies your citizenship—including all the rights and privileges that go along with it—and provides access to the wonders of other lands. Over the past two decades, IMA’s CMA® (Certified Management Accountant) certification has evolved into a similar passport—one that attests to a professional’s mastery of a body of knowledge and, equally important, one that opens up global opportunities for those who hold it.

The global growth of the CMA is a relatively new development. Twenty years ago, virtually no CMAs resided outside the United States. But the CMA has expanded its geographic reach and diversity—with CMAs and candidates in more than 100 countries—while remaining primarily a U.S.-based exam.

These assertions are borne out by the latest statistics about the CMA program. Figure 1 shows that, as of December 31, 2014, the Americas (primarily the U.S.) still possess the highest concentration of CMAs, with approximately 73% of the 22,019 total active CMAs located in this region. At the same time, the geographic reach of the exam continues to expand as the number of new CMAs tells a different story: 40% are from Asia/Pacific, 31% from the Americas, 22% from the Middle East, and 7% from Europe (see Figure 2).

Not only has the CMA expanded its global growth, but its absolute growth has accelerated as well. Figure 3 shows the number of new CMAs over the past five years. You can see that this number has increased every year since fiscal 2009, totaling an annualized growth rate of more than 25%. Between this fiscal year and last year, the number was up 7% from 2,800 to a record-high 3,003.

A Successful Combination

The certification’s geographic expansion is the result of many factors—including the translation of the exam into Simplified Chinese in 2007, the opening of IMA offices outside the U.S., the hiring of dedicated international staff for those offices, and IMA’s efforts to engage with other cultures and organizations about the benefits of the certification. The growing popularity of the exam also has been spurred on by recent changes to the exam’s content, which has become more global in nature and portable to companies of any size and economies of any level of development. It is focused on planning, analysis, control, and decision support—skills that are relevant to all companies and that are in great demand on finance teams worldwide.

For those who hold the certification, as well as for those who hire CMAs, this geographic expansion provides numerous benefits. From the individual’s perspective, the globalization of the CMA has made it easier to relocate to or secure a position in another country. The certification provides verification that the individual has acquired a certain skill set and can speak the “language of business,” regardless of the language spoken.

For more information about the CMA program, please visit the IMA website at www.imanet.org/certification.asp.
The Employment Services Committee has continued to receive new jobs this past month and has listed a few of them on the IMA website under the Employment page. If you are interested in any of those positions, please reach out to me at employment@ima-longisland.org. The Employment page will be updated every other month or as dictated by new job openings, so if you are in transition, check out our website.

In addition to the positions posted on our website, we have a database which includes numerous job openings ranging from bookkeepers, internal auditors, and staff accountants to treasurers, controllers and CFOs. Some of our more recent postings include the following positions:

* Staff Accountant position at a dental supply company located in Edgewood, NY, with a salary range of $55 - $62k. Position is responsible for A/P processing, analyzing G/L accounts, posting journal entries, and reconciling bank statements

* Controller position at a food distribution company currently located in Queens, but will be relocating to Bayonne, NJ in the next few months. Salary based on experience, but around $125k.

* Direct Bill Accountant at a leading insurance broker company located in Woodbury, NY, with salary based on experience. Position is responsible for data entry of all direct bill commissions, electronic funds transfer, account reconciliations, process commission refunds, as well as, other ad hoc tasks. Two years of account reconciliation experience required and an associates or bachelor’s degree a plus.

The Employment Services Committee updates the database frequently and has the simple goal of connecting potential candidates with companies in search of talented professionals. Please continue to submit resumes of qualified candidates or job postings in confidence to our website or through an IMA Board member.

As a reminder, the IMA does not charge fees for these services to either the professional seeking employment or the company with the job posting. Currently the Employment Services Committee is focusing on Accounting, Finance, Internal Audit, and Tax positions for its members.

For further information on these services, please contact Randy DeYulio at employment@ima-longisland.org.
newsleTTer AdverTising rates

Full Page per issue $150.00 - 7 ¾ (w) x 8 ¾ (h)
½ Page per issue $100.00 - Horizontal - 7 ¾ (w) x 4 3/8 (h) • Vertical - 3 ¾ (w) x 8 ¾ (h)
¼ Page per issue $ 75.00 - Horizontal - 7 ¾ (w) x 2 3/16 (h) • Vertical - 3 ¾ (w) x 4 3/8 (h)

For newsletter submissions contact Joseph Giacinto, VP of Communications at JGiacinto@PBIPayroll.com
For membership contact Vince Palazzolo, VP of Membership at VPalazzolo@CPIAero.com or call 516-524-4839
For sponsorship opportunities contact Carmela Borzelleri, VP of Sponsorship at CBorzelleri@Parkell.com

www.LongIsland.IMAnet.org
Welcome to New Members

IMA Long Island Chapter welcomes its new members:

Alexa Atlas - Student Member
Gabriela Berrios - Student Member
Joseph Cipollina - Student Member
Marcy Greenfield - Regular Member
Monica Mikoleski - Regular Member
Nelya Mushiyeva - Regular Member
Michele Nazaro - Student Member
Aaliyah Neilan - Student Member

Muhammad Asif Niaz - Student Member
Hsin Yu Pan - Student Member
Theresa Rojas - Student Member
John Sadler - Student Member
Lawrence Stehl - Young Professional
Jennifer Travlos - Student Member
Geraldo Vasquez - Academic Member

This Month’s Member Spotlight

A graduate of New York University and Fordham Law School, Steven Kuperschmid is Co-chair of Ruskin Moscou Faltischek, P.C.’s (“RMF”) Corporate & Securities Department.

Steve has vast experience representing start-up, development stage, as well as mature clients in mergers and acquisitions, capital raising transactions (both public and private), board advisory and corporate governance matters, business succession planning, joint ventures, executive compensation, strategic relationships, licensing matters and almost ever facet of a client’s business legal needs.

Early in his career, Steve served as general counsel to one of the region’s leading entrepreneurs and continues to provide services as outside counsel. Prior to his joining RMF, Steve was a partner at several leading Long Island regional law firms.

Steve has served on the board of directors of both private and public companies. He has also served as the Chairman of the Corporate Law Committee of the Nassau County Bar Association.

Outside of his law practice, Steve serves on the Board of the Marty Lyons Foundation, as well as on our board of the Long Island Chapter of the IMA. Steve also co-chairs a CFO roundtable.
New IMA Research Report Explores Process Automation in Accounting and Finance

Although advancements in technology, such as process automation, aim to streamline redundant and tedious time-consuming tasks, many management accountants are still bogged-down with manual calculations and inefficient month-end close activities. The purpose of this new IMA® (Institute of Management Accountants) research report, sponsored by BlackLine, is to learn more about the extent to which companies have automated their accounting processes, where they would like to automate, the challenges they encounter, and best practice recommendations for automating. The full report is available for download on IMA’s website: http://www.imanet.org/insights-and-trends/technology-enablement/process-automation-in-accounting-and-finance

Respondents ranked accounting processes that are most time-consuming and may be ideal for automation. Balance sheet account reconciliations topped the list at 44%, followed by variance analysis (39%), bank and credit card reconciliations (36%), and journal entry creation (28%). Other reported challenges include pressure from upper management and other sources to speed-up the closing process.

Getting data from other departments was identified as the number one constraint on current closing processes (29%), with staff resources (22%) a close second. When asked about value-added activities, such as the ability to respond effectively to the information demands of management and lines of business decision makers, respondents cited the time required to compile data, which diminishes its usefulness, as the number one pain point. Qualitative data gleaned from the survey identified challenges and overall dissatisfaction with system limitations, time, data, skills, and confusion about priorities.

Two-thirds of respondents agree that automation would improve the flow and timeliness of month-end data to lines of business decision-makers and provide more time to engage in financial planning processes. Still, only 32% have actually implemented any new automation processes in the last year. With the manual closing process taking over seven days on average to complete, if financial teams were able to shave a day or two off of the process by using automation, it would provide more time for conducting value-added activities and analysis.

Overall, the study suggests that both small and large firms could benefit from implementing automated accounting processes. For financial professionals and companies that wish to save time on the month-end close and instead better utilize accounting teams for value-added activities, the logical solution would be to implement process automation.

To learn more about the process automation in accounting and finance study, visit IMA’s website to download the report: http://www.imanet.org/insights-and-trends/technology-enablement/process-automation-in-accounting-and-finance

IMA Student Activities

The CMA comes to Adelphi University

Bill Duchan, CMA, CFM from IMA Global came to speak at Adelphi University on February 7th.

The Accounting Society President, Monique Galanti graciously invited the LI IMA to speak to the Accounting Society about the IMA and careers in business and accounting. The students were very eager and enthusiastic to learn about the IMA and the CMA.

I spoke on the value of soft skills in the business world and how they help to assure communication and goals achieve the company’s objectives. In this world today, technical skills are not enough, you have to be able to build consensus and lead everyone to the end goal.

Bill spoke passionately about the CMA and how it brings great value to your business careers. The students were very interested. They inquired into how the scoring system works, what study materials are used and when it is given. Bill spoke knowledgably about the CMA and how it adds to your business skills leading to faster career advancement and greater earning power.

Thank you to the Adelphi University Accounting club for a warm and inviting experience.

(To our readers, join us on LinkedIn and Twitter to read more about our student activities and future events: LinkedIn “groups/8588075” and @IMALIS107

By James L. Smith, CPA - VP Student Activities Committee
The Long Island Chapter hosted a dinner meeting on February 14th, 2017, which included a presentation by James Olan Hutcheson from Dallas Texas based ReGENERATION Partners. Jim founded ReGENERATION Partners after resigning as President from his family owned photography business, Olan Mills Studios, in 1995.

ReGENERATION Partners is devoted exclusively to increasing shareholder value and improving communication in family enterprises. Since founding the firm, Jim has advised more than 225 families across a wide range of industries on succession, conflict management, governance, communication, and as a facilitator for family retreats.

The attendees that evening were entertained with his stories of family owned business successes and educated on why some of those businesses fail. Jim’s firm has collected a tremendous amount of data about family owned business over the years. One of the more interesting facts Jim presented from his research was that 3rd generation family members are smarter at running the business than 2nd generation family members. He then went on to explain why and was met with some good natured opposition to that theory from the audience. Perhaps those comments came from a 2nd generation family business owner in attendance.

All in all it was a fun way to spend Valentines with great chapter members, guests and family.
LAST MONTH’S DINNER MEETING

David Choit - Attitude Financial Advisors, Inc and Paul A Fritz - Berdon Accountants and Advisors

Kelcie Valentiner - Deloitte, Arthur Sanders - IMA and Michael Valveri - Deloitte


James Smith - Canon and Vito Gaeth, Bedgear

Alex Arnold - Student and Bob Arnold Jr.

Tobi R. Innerfield - Quality Shredding, Scott Schneider - Applied Computer Technologies, LLC & Barry Shapiro - B Shapiro Financial

Paula Scappatura - Scappatura Real Estate, Barbara Calissi - Malloy College and Lucy Mazany - Signature Bank

Paige Hall - Deloitte and Jennifer Leone, Accounting Principals
Twenty-five percent of the fraud cases committed against manufacturers involve inflated claims for expense reimbursement. This fraud, which is relatively easy to commit and hard to detect, is often the gateway to bolder, more sophisticated, and more damaging fraud schemes.

In most cases, fraud is carried out by an employee, often considered a “member of the family” and lasts for an average of 18 months before detection according to the ACFE. The key to mitigating the risk of fraud is to have strong internal controls in place.

Watch For the Red Flags

An employee begins to live beyond his/her means, citing reasons for new-found wealth, such as inheritance or investments. The employee may exhibit other changes in behavior. Warning signs are often missed within organizations that lack good, or even basic, internal controls, such as the segregation of duties in certain areas.

Other red flags in the purchasing and inventory area include:

- An increasing number of complaints about your products or services;
- An increase in purchasing inventory but no increase in sales;
- Abnormal inventory shrinkage;
- Lack of physical security over your inventory;
- Charges without accompanying shipping documents;
- Payments to vendors who are not on an approved vendor list;
- High volume of purchases from new vendors;
- Purchases that bypass your normal procedures;
- Vendors with no physical addresses;
- Vendor addresses that match employee addresses;
- Excess inventory and inventory that is slow to turn over; and
- Purchasing agents who choose to pick-up payments rather than have payments mailed.

Inventory theft typically occurs in one of the four following ways, according to the GIA Trading Group, an international trade facilitator:

- Simple larceny - theft of parts, materials, tools, etc.
- Asset requisition and transfers - theft of inventory during the move between locations.
- Purchasing and receiving schemes - falsification of incoming shipment records.
- False shipment - inventory sent to a bogus individual or company and then resold.

Sometimes, the inventory account is just a convenient place to hide financial misstatement ploys, such as skimming or bogus sales. Thousands of journal entries are typically made to the inventory account, and it’s closed out to cost of sales each year. Thieves with access to the accounting systems can bury their scams in the inventory account.

Monitor Inventory Metrics

If an organization’s year-end inventory counts aren’t adding up, its essential for management to not just write off the discrepancy, as a cost of doing business, but to investigate why. This can be accomplished by computing various inventory ratios, including:

- Days in inventory, Gross margin, Inventory as a percentage of total assets, Returns as a percentage of annual sales; and Shipping costs as a percentage of sales. These metrics should be consistent over time and comparable to industry benchmarks.

Catch Fraud Early

So what are some best practices organizations can implement in order to deter inventory fraud? The following list on industry practices may appear to be common sense, but are surprisingly absent from many organizations’ offices and/or warehouses.

- Carefully pre-screen potential new employees.
- Supervise unloading and loading procedures during receiving and shipping operations.
- Conduct frequent cycle counts and investigate variances.
- Secure inventory storage areas during non-working hours, install security cameras.

Putting these measures into place cannot guarantee that you will never be the victim of inventory fraud. These measures, however, can go a long way to deterring a potential thief from both inside and outside of your organization.
ABOUT OUR CHAPTER

The Long Island Chapter of the Institute of Management of Accountants was charted in 1951 by the then National Association of Cost Accountants (“NACA”). Over the years the name was changed to the National Association of Accountants (“NAA”) and now is known as the Institute of Management Accountants (“IMA”). Harold Nohe was the first President of the Long Island Chapter.

In 1970 the Long Island Chapter was split into two Chapters, one in Nassau and one in Suffolk. The first President of the Suffolk Chapter was Paul Urban. The two Chapters co-existed until 1986. The two Chapters met the second week of the month with Nassau meeting on Tuesdays and Suffolk meeting on Thursdays. There were numerous members who attended both meetings.

In 1984 and 1985 both Chapters experienced a decline in membership and meeting attendance. A committee was formed of Donald Green and Marc Palker from Nassau and Eric Perlman and Charles Schreiber from Suffolk. In 1986 with the permission of the National Office and the Board of Directors, the two Chapters were merged to reform the Long Island Chapter. Donald Green was the first President of the reformed Long Island Chapter.

In 1987 the Past President’s met to decide how best to help the Chapter prosper and grow. From these meetings the Financial Executive of the Year Award was born with the first recipient being Sanford Weintraub, CFO of Independent Election Corp of America. This award still exists today and is named after the man whose idea became the finale of our Chapter year, The Milton Zipper Financial Executive of the Year Award Dinner.

As they say, the rest is history………………..

ABOUT IMA

The Institute of Management Accountants (IMA) is the world’s leading organization dedicated to empowering management accounting and finance professionals to drive business performance.

IMA members are today’s leaders, managers, and decision makers in management accounting and financial management. As members we are dedicated to continued professional development, to achieving the highest levels of professional certification, and to supporting each other in our commitment to professional excellence.

www.imanet.org

Quote

“Things work out best for those who make the best of how things work out.”

- John Wooden