A Message From The President

Dear Members:

It is my honor to serve as President of this thriving, professional organization, The Institute of Management Accountants, Long Island Chapter. I truly appreciate the confidence and support that I have received from our Board of Directors and membership in taking on this new and exciting role.

The Long Island Chapter is part of the global organization, which has more than 85,000 accountants and finance professional members worldwide. Locally, we are comprised of almost 400 accounting, finance, legal and service provider professionals as well as student members.

Our Chapter was recently recognized as the runner up for the Community Service Competition for the 2016-2017 IMA Global Competition for the joint submissions of the Student Activities and Employment Service Committees at the 2017 Annual IMA Conference held in Denver, Colorado. This is the third consecutive year the Chapter has been recognized globally for its work in our local Community. Every year, we strive to bring glocal value to your membership. We are able to do this through several key initiatives:

CMA – Certified Management Accountant designation. Independent of other certifications, you must pass a rigorous 2 part exam that covers 11 competencies. The CMA program is designed to validate mastery of the advanced skills required to manage finance functions within your organization*

Communication – reaching out to our members via a monthly newsletter, redesigned website, linked-in and twitter accounts to keep you in the know of Chapter events and information and keep you in touch with our global organization easily

Education – bringing quality speakers local to you with informative, timely topics to increase your knowledge base

Employment - the IMA is able to bring connections to financial positions that may or may not be publicized in other arenas. We accept resumes for financial positions and upon discussion with the candidate, will present to applicable positions

Membership/Young Professionals – membership in the IMA has many benefits. In addition to the networking events, educational offerings and employment opportunities, there are many insurance and discount programs that members can benefit from

Sponsorship - the Long Island Chapter offers several sponsorship opportunities including dinner, breakfast and student sponsorships as well as newsletter and other advertisements. Your sponsorship and/or advertisement is seen by a vast array of professionals locally on Long Island as well as nationally, and is instrumental in our ability to provide quality programs

Student Activities – reaching out to local Colleges and Universities, creating student chapters, encouraging and teaching students the importance, relevance and benefits of belonging to a professional organization

Our Chapter offers eight dinner meeting sessions on the second Tuesday of month, beginning in September. Networking starts at 6pm with cocktails and hors d’oeuvres. The dinner program, which will cover a variety of topics important to our financial community and their staff offers one CPE credit, starts at 7pm. Please join us on September 12, 2017 at the Woodbury Country Club with our kickoff dinner topic “The Threat to Business-The Intruder: Cyber and Physical.”

Finally, I would like to extend my thanks to a number of people. Firstly, to our outgoing President Amy Abrie. Under Amy’s direction, the Long Island Chapter had continued success in reaching the goals and objectives it set forth. I will be elated if I can be half as good a steward of the Chapter as Amy has been over the last two years. Secondly, to all of the Board Members and Past Presidents who graciously give their time and are the backbone of the Long Island Chapter. There are many silent heroes that fall into this category that without their input, creativity and dedication, we would not be where we are today. Lastly, I thank you, the members. Without your involvement, there would be no Chapter. You are the lifeblood of this organization. I encourage you to take advantage of the benefits and programs and become more involved. There is so much we have to offer and your continued support is greatly appreciated.

I hope you enjoy the rest of your summer and I look forward to seeing you at our events.

Carmela Borzelleri

*Extracted from www.imanet.org
SEPTEMBER 12, 2017 MEETING

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

The Threat to Business – The Intruder: Cyber & Physical

Speakers:

Kevin Edwards
Director of Compliance
and IT Security
Flexible Systems

Richard M Frankel
Of Counsel
Ruskin Moscou
Faltischek P.C.

Moderator: Bob Arnold, Jr., President, Arnold Standard Risk Services, Inc.

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

Quote

“Don’t be afraid to give up the good to go for the great.”
- John D. Rockefeller
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
Why I joined the Institute of Management Accountants

Marc P. Palker, CMA, MBA, RTRP, MPP Associates, Inc.

I became a member of the IMA in 1975 as a member of the New York City Chapter. At that time the organization was named the National Association of Accountants (NAA). My supervisor at JCPenney was the VP of Membership of the chapter and invited me to attend meetings as his guest. After two or three meetings, he offered me membership which I accepted. In 1976 I moved to a company on Long Island and transferred to the Long Island Nassau Chapter. In 1976 there were two chapters on Long Island, Nassau and Suffolk. They would eventually merge in the 1980s. Eventually I became Chapter President and then President of the Metro New York Regional Council. In 1994 I became an Area Vice President and a member of the IMA Executive Committee and Board of Directors.

In 1991, I entered the Certified Management Accountant (“CMA”) Program and earned my CMA in 1992. Over the years, I have served many terms on the Global Board of Directors, various standing and Ad Hoc committees and even chaired some of them. In 2014 I decided to apply for the position of Chair of the Global Board of Directors and was selected by the Nominating Committee. On July 1, 2015, I assumed the position of Chair-Elect and then became Chair on July 1, 2016. Currently I serve as Chair Emeritus until June 30, 2018. In addition to traveling throughout the United States, I have visited London, Shanghai and Beijing. I hope to visit Singapore and Vietnam this fiscal year.

In my 40 plus years in IMA I have been able to use relationships on Long Island and beyond to solve business problems, obtain positions and clients and most importantly friendships that are extremely valuable. My contact list is a who’s who in accounting and finance. The education I have obtained in accounting, finance, management and leadership cannot be valued. I am currently a candidate for IMA’s new certification Certified in Strategy and Competitive Analysis (“CSCA”).

MEMBERSHIP BENEFIT

UPS® Saving Program

Make the most of your IMA membership and save up to 34% in the U.S. and 30% in Canada on UPS® shipping services. Save on a broad portfolio of services, including air, international, ground and freight. Put the power of logistics to work for you. To enroll and start saving today, call 1-800-MEMBERS (1-800-636-2377) M-F 8 a.m. – 6 p.m. EST.

IMA EMPLOYMENT SERVICES

Fall is in the air……the kids are back to school.  Are you ready for a change? Please see our website: longisland.imanet.org> About Chapter> Job Board for up to date listings of opportunities or to contact our Employment Chair, Janine Howe.
NEWSLETTER ADVERTISING RATES

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www.LongIsland.IMAnet.org
IMA Student Activities

By Marvin Rosen - VP of Student Activities

The year goes by very quickly, once again it is the start of a new exciting Academic year. We have a lot of wonderful things going on for Students at the Long Island IMA Chapter.

We begin this new year with 3 Student Chapters (LIU Post, Stony Brook and Molloy), 3 Non Chapter Universities we participating with, and over 70 active Students members. For the new year we have a strong and exciting schedule. That includes our 4th annual Student Work Shop, on Tuesday 11/14, For those of you who have not attended our event yet, the workshop is an exercise in “self branding”. Designed as an interactive experience, the session involves the students and the panelists in and engaging and practical Q&A designed to build the knowledge and skills needed to ensure successful interviews. Last year we added a mock job interview between a Student and Randy Deyulio of Deloitte which was very well received by the audience, with a Networking Hour to follow to ensure all students have the chance to interact with our guest panelists and members. Our November 2016 Workshop drew over 95 Students and Faculty and we expect this year’s event to have even more attendees.

One of new initiatives for the coming year is to give the graduating students and non-member alumni a new even more exciting path to long term success. This initiative focuses on new members to the workforce. As a Young Professional Member you can start a lifelong career path supported by a wealth of professional mentors and a world of business leaders who share your passion.

Our first Young Professional networking events is Tuesday February 13th, focusing on improving your networking skills, more information to follow as we get a little closer. After attending one of our events, we hope that you will see the value of becoming an IMA member. How better to get started in your professional career path than by joining and working with an organization that is committed to and helps you to develop all of these leadership qualities necessary to succeed. That will serve you well throughout your entire career.

CMA Exam Speaks Volumes

By James L. Smith, CPA - VP of Membership Committee

IMA Membership is a gateway to a bigger and brighter Career for all levels of Business Professionals. You have all heard me say this, well it is because I mean it and it is true.

When I speak to Accounting Students and Young Professional Accountants many ask me “should I take the CMA exam” if I am taking the CPA exam? My short answer is yes, not because I am an IMA member but because both licenses talk to talents, knowledge and skill sets that are complimentary and very important but not the same.

The CMA is a highly prestigious certification, speaking to Management, analytical and strategic business skills. The CPA Certification similarly is very prestigious but talks to a different set of technical and professional skill sets.

No matter what business path you take, public or private accounting, successful business professionals strive towards management and the CMA speaks to the innate leadership capabilities and knowledge of the CMA holder. Members who have the CMA certification are instantly recognized to have the strategic skills, technical and soft skills needed to move up into and thru the Management Levels of any company. Talk about a competitive advantage! If this is not convincing enough, studies show that CMA’s on average earn 28% more than non CMA professionals.

Lastly, the CMA is a globally recognized certification. With over 85,000 IMA members worldwide you will be recognized where ever you go. This is a very important distinction when you are looking to set yourself apart in this very competitive world.

Now how do I get started you might ask. It’s simple, membership.

Reach out to me or any IMA member and learn why we have found the IMA to be the most rewarding Organization I have ever belonged to.
Kevin Edwards serves as Director of Compliance and IT Security for Flexible Systems where he oversees their Compliance and IT security team, working with clients to assess, identify, and mitigate vulnerabilities and lower the risk of data breaches. Kevin and his team oversee clients’ compliance, disaster recovery/business continuity, and IT security technology to help maintain operations and protect confidential data.

Richard M Frankel

Mr. Richard M. Frankel served for more than 25 years in public service, the majority of his career with the Federal Bureau of Investigation (FBI).

Serving as Of Counsel at Ruskin Moscou Faltischek P.C., Richard’s practice focuses on Cybersecurity and White Collar Crime & Investigations.

A recognized authority in complex investigations, asset recovery, cyber issues and crisis management, Frankel also provides regular insight on terrorism, criminal and intelligence related matters. He has extensive experience in understanding as well as investigating complex coordinated attacks.

Mr. Frankel led several FBI field divisions as the Special Agent In-Charge. In this capacity Mr. Frankel oversaw criminal investigations, as well as undercover and tactical operations, while actively working to lead organizational transformational efforts to transition to a threat-based, intelligence-led operating posture. Mr. Frankel also directed multi-agency initiatives and major response to threats against persons and property, while developing extensive liaison programs through outreach to entities in the public, private, academic and non-profit sectors, as well as with community groups.

In addition, Mr. Frankel served as the Associate Director of National Intelligence and Senior FBI Representative to the Office of the Director of National Intelligence with the responsibility for overseeing and managing domestic intelligence relationships. Mr. Frankel was the principal liaison with external entities and advised the Director on all issues related to the intelligence relationship between the Intelligence Community and its Domestic Partners. In this position, Mr. Frankel worked to increase interaction and cooperation between the law enforcement community and the greater Intelligence Community as it related to identifying and working against cyber threats.

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A graduate of Ithaca College, Quinnipiac Law School and several Senior Executive programs, Richard’s government service began as Assistant District Attorney for Suffolk County, New York.
TAX COURT UPHOLDS NON-SAFE-HARBOR REVERSE LIKE-KIND EXCHANGE

By Laura Michaels, CPA, and Patricia Brandstetter, J.D., LL.M., Melville, N.Y.
Condensed summary of the article published in The Tax Adviser magazine on May 1, 2017.

The Tax Court’s decision in Estate of Bartell, 147 T.C. No. 5 (2016), alleviates some of the uncertainty that taxpayers and practitioners face when structuring a reverse like-kind exchange intended to qualify for tax-free treatment under Sec. 1031. Bartell arguably signifies one of the most important like-kind exchange developments in the past decade, particularly for contemplated exchanges where construction is needed on the replacement property.

The Bartell case
The Bartell Drug Co., operating drug stores in Washington State, entered into a sale agreement to acquire property (the replacement property). The agreement expressly stated that Bartell intended to enter into a Sec. 1031 exchange, exchanging appreciated property it owned (the relinquished property) for the replacement property, on which a new drug store was to be constructed. Bartell transferred its rights under the sale contract to Section 1031 Services Inc., which formed a special-purpose limited liability company treated as a disregarded entity for federal income tax purposes (the exchange facilitator). The exchange facilitator was formed to acquire and hold title to the replacement property during the construction period. When construction neared completion, Bartell leased the property from the exchange facilitator. Upon the sale of Bartell’s property, the exchange facilitator transferred title to the replacement property to Bartell, which completed the exchange.

The IRS disallowed deferral under Sec. 1031 of approximately $2.8 million of gain realized in the transaction, arguing that no exchange occurred because Bartell held the burdens and benefits of ownership prior to the transfer (i.e., the ability to benefit from appreciation in the property’s value, risk of loss, and taxes and liabilities arising from the property).

Background
Sec. 1031 provides an exception to the general rule that gain or loss is recognized on the sale or other disposition of property, permitting taxpayers to defer the recognition of gain or loss on the exchange of property held for productive use in a trade or business or for investment if the property is exchanged in a reciprocal transfer between owners “solely for property of like kind.” Real property held for productive use in a trade or business is generally considered of like kind as other real property held for such purposes. If the replacement property is not of like kind, gain is recognized to the extent of the consideration attributable thereto; thus, to fully defer gain realized on the disposition of the relinquished property, the taxpayer must acquire replacement property of equal or greater value. A successful like-kind exchange defers federal and state income taxes on the taxable gain until the replacement property is sold.

Reverse exchanges
In a reverse exchange, the taxpayer receives the replacement property before the transfer of the relinquished property. Taxpayers have used so-called parking transactions or “built-to-suit” transactions to facilitate reverse exchanges, where replacement property is “parked” with an exchange facilitator that holds title to the replacement property, usually until improvements to the property are completed to allow for an exchange “solely for property of like kind.” This type of transaction was at issue in Bartell. To date, the statute and regulations do not address reverse exchanges; however, a safe harbor for these transactions was established in Rev. Proc. 2000-37.

Rev. Proc. 2000-37, effective for reverse and built-to-suit exchanges on or after Sept. 15, 2000, provides that the treatment of the exchange facilitator as the owner of the property for purposes of Sec. 1031 will not be challenged if, among other requirements, a written agreement stipulates that (1) the exchange facilitator is holding the property for the benefit of the taxpayer for purposes of a Sec. 1031 exchange and (2) the facilitator is treated as the beneficial owner of the property for all federal income tax purposes. The replacement property must be identified within 45 days and exchanged for the relinquished property no later than 180 days from the transfer of title to the exchange facilitator. Moreover, the combined period that the relinquished property and the replacement property are held in this arrangement must not exceed 180 days.

The Tax Court’s opinion in Bartell
The Tax Court noted that Rev. Proc. 2000-37 did not apply, as Bartell undertook the exchange prior to its effective date. Bartell would not have met the safe harbor requirements because the exchange facilitator held title for 17 months, far beyond the 180-day QEA period. The Tax Court affirmed that Rev. Proc. 2000-37 only establishes a safe harbor and does not place restraints on “non-safe harbor” reverse exchanges under existing case law, which has permitted taxpayers great latitude in structuring like-kind exchanges. The Court further held that where a Sec. 1031 exchange is contemplated from the outset and a third-party exchange facilitator takes title to the replacement property before the exchange, the exchange facilitator need not assume the benefits and burdens of ownership.

Implications
Bartell could be good news for taxpayers who wish to build or modify replacement property in a reverse exchange, as it is typically difficult to complete property construction within the 180-day safe harbor time frame. However, the IRS continues to study parking arrangements, and it is possible that Congressional action could be sought to limit reverse and built-to-suit exchanges. Taxpayers and advisers should exercise caution and structure reverse exchanges in close alignment with the facts of the Bartell decision.
Our Long Island Chapter will be hosting a special drive of personal care items at our September dinner meeting. Please support this drive by reviewing the list below and bring your items to our September dinner program to help those less fortunate that are hungry and without shelter. For more information on The INN, please visit https://the-inn.org/about-us/our-supporters/ or call (516) 486-8506.

Most Needed Personal Care Items  
(Travel Size Preferred)

- Toothpaste
- Toothbrushes
- Deodorant
- Disposable Razors
- Hair Brushes and Combos
- Shaving Cream
- Mouthwash
- Shampoo & Conditioner
- Facial and Toilet Tissue
- Soap
- Towels
- Laundry Bags and Laundry Baskets
- Socks (new)
- Men’s Underwear (new)
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……………….

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

“The day the soldiers stop bringing you their problems is the day you stopped leading them. They have either lost confidence that you can help them or concluded that you do not care. Either case is a failure of leadership.” - Colin Powell
## 2017-2018 Sponsorship Program

Please check all that apply:

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**TOTAL** $______

* Partial-page Ads in 4 or more issues will enjoy a 10% discount *

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**DINNER AND BREAKFAST MEETING SPONSORSHIPS SELL OUT FAST – PLEASE RESPOND ASAP**

Our sponsors receive dedicated space during our networking hour and an opportunity to introduce their company and its services to the audience.

For reservations and more information, please contact Justine M. Roe, VP of Sponsorship at sponsorships@ima-longisland.org or call (516) 665-3948.