



Cleveland  
East  
Chapter

INSTITUTE OF MANAGEMENT ACCOUNTANTS

February 2015



**CONGRATULATIONS  
IMA CLEVELAND EAST  
CHAPTER!**

[www.cleveast.imanet.org](http://www.cleveast.imanet.org)

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Carlos Chavez and Carol Kuczer accept the chapter's awards from IMA Chair William F. Knese

#### 2013-2014 Awards

**Gold Award**  
Warner Division  
Chapter Website

**Silver Award**  
Warner Division  
Chapter Newsletter

**13th Place**  
Chapter Competition

**Outstanding level of  
service**



**BOARD MEETING - TUESDAY, FEB 10, 2015**  
Details on website

**Cleveland East IMA Technical Meeting**  
**ECONOMIC UPDATE - FEB 17, 2015**  
**RETIREMENT PLANNING - MARCH 24**

**Ohio Regional Council**  
**MEONSKE CONFERENCE AT KSU 4/23-24**



## 2015: A Clash of Titans Looms

January 30, Montvale, N.J.

While Google was demonstrating a modular smartphone prototype at the second Project Ara Developers Conference on its main campus in Mountain View, Calif., that was on Wednesday, January 14, financial reporters in New York discovered that Apple had just set a new world record for the most profitable quarter of any company in history. Both events revolved around a single piece of computer hardware—smartphones. And both announcements were accompanied by the distant tattoo of war drums promising a head-to-head meeting of two very different industrial philosophies over those smartphones in the very near future.



**Save the date - 41<sup>st</sup> Annual Meonske Professional Development  
Conference at Kent State University Friday, April 24, 2015 and  
Pre-Conference Seminar Thursday, April 23, 2015**



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# TECHNICAL MEETING TUESDAY, FEBRUARY 20, 2015 **ECONOMIC UPDATE**

*The more things change, the more they remain the same.* As business adapts to changes in technology, competition, and customer requirements many organizations have needs to change. Fortunately or unfortunately, these significant developments are not unprecedented in history. Fortunately, because economic history shows that eras characterized by expanding trade and innovation enjoy substantial increases in the living standards of those who participate. Unfortunately, because political history shows that the tensions created by social changes associated with economic upheaval can cause civil unrest, protectionism, demagoguery, and even war. Increased trade among nations and technological advancement truly benefit mankind. During this session you will learn of the latest developments and forecasts for our business needs.

**Joseph E. Haubrich** is a consultant and economist in the Research Department of the Federal Reserve Bank of Cleveland, where he heads the Financial Markets and Institutions Unit. His research interests are banking and financial markets, uncertainty, and organizational design. Before coming to Cleveland, he was an assistant professor of finance at the Wharton School, University of Pennsylvania. In his spare time, he raises wildflowers and his four children.

Hilton Garden Inn  
700 Beta Drive  
Mayfield Heights, OH  
(I-271 Wilson Mills Exit)

**Cost of Meeting (2 CPE) & Dinner for**

**Members and Non-Members \$25**

**Students \$10**

**Dinner Buffet**

**Dinner Salad**

**Rolls & Butter**

**Chefs Choice, Two Entree Buffet**

**(Chef to determine menu, changing monthly, options will include Pasta and Beef or Chicken)**

**2 Sides (1 Vegetable & 1 Starch) Complimenting Main Entree Options**

**Chef's Choice Dessert**

**Fountain Soda, Iced Tea, Water and Coffee**

**Cash bar adjacent to the meeting room**





**SAVE THE DATES: APRIL 23 - 24**  
**41st Annual Meonske Professional Development**  
**Conference**

**The Ohio Regional Council is proud to celebrate the  
41st Anniversary of the Meonske Professional  
Development Conference**

**Friday, April 24, 2015**     **Meonske Conference**

***“Financial Reporting Panel”***

**Moderator:**

**Dennis R. Beresford**, Executive in Residence, J.M. Tull School of Accounting,  
University of Georgia, and former Chairman, Financial Accounting Standards Board

**Panelists:**

**Brian Croteau**, Deputy Chief Accountant, SEC’s Office of the Chief Accountant,  
**Russell Hodge**, Global Technical Leader, General Electric Company,  
**James L. Kroeker**, Vice Chairman, Financial Accounting Standards Board, **Alison  
Spivey**, Partner, Professional Practice – National Accounting, Ernst & Young LLP

**Address at Lunch**

***“Pursuit of Your Best in Leadership”***

**Todd Gongwer**, motivation speaker and author of “LEAD...for God’s Sake!”

**Afternoon Program**

***“COSO Update”***

**Jeffrey Thomson**, President and CEO of IMA

**Robert B. Hirth**, Chair, COSO and Senior Managing Director, Protiviti

***“Know Your Numbers: Planning Fundamentals”***

**Daniel J. Eck**, Executive Director, Employee Financial Services, Ernst & Young LLP



**SAVE THE DATES: APRIL 23 - 24**  
**41st Annual Meonske Professional Development**  
**Conference**

The Ohio Regional Council is proud to celebrate the  
41st Anniversary of the Meonske Professional  
Development Conference

**Thursday, April 23, 2015** **Preconference Seminar**



***“Enterprise Risk Management - What is New and  
Planned?”***

**Robert B. Hirth**, Chair, COSO and Senior Managing Director, Protiviti

***“Practical “How-Tos” Fraud Risk Assessment for COSO 2013”***

**Pamela Verick**, Director, Protiviti’s Investigation & Fraud Risk Management Solution

***“Public Companies CEO Pressures...Auditor’s Nightmare”***

**Scott Peters**, Chairman of the Board, Healthcare Trust of America, Inc.

***“Business Leadership – Emotional Intelligence”***

**Timothy F. Gearty**, Partner, Gearty & McIntyre, LLP; National Director and Editor-in-Chief, Becker Professional Review

Keynote Luncheon - ***“How to Make Good Choices in Every Phase of Your Life!”***

**Lou Holtz**, coach, ESPN Commentator, motivational speaker

**Concurrent Afternoon Sessions**

Track One:

***“Conflict Management”***

**Timothy F. Gearty**, Partner, Gearty & McIntyre, LLP; National Director and Editor-in-Chief, Becker Professional Review

***“The Financial Statement Closing Process”***

**Gabe Zubizarretta**, Founding Principal, Silicon Valley Accountants

Track Two – Ethics Track:

***“Ohio Professional Standards and Ethics”***

**Dr. Norman R. Meonske**, Professor Emeritus, Kent State University and National Online Instructor, Becker CPA Review Course



# January meeting

## Photos from Tax Update



## PRESIDENT'S MESSAGE



Happy belated New Year everyone! I can't believe we are already one month into 2015. I hope everyone has some goals in mind that want to accomplish. Remember that a goal without a plan is just a wish!

We had a great turnout and presentation for the first technical meeting in 2015. Dave Reyes and Jon Watts from Maloney and Novotny gave us a great update on income taxes and healthcare. After the state of the union I think next year's update will somehow have even more content! On the healthcare front, I don't know if I would rather shovel snow or have to figure/fill out the new forms required.

NACM (National Association of Credit Managers) and the Cleveland IMA Chapter joined us for the meeting; we had 30+ people in attendance. We also had 5 students from Hiram, CSU, and Case attend which is always great to see!

We are excited about our February technical meeting, the economic update with Joseph Haubrich from the Federal Reserve Bank of Cleveland. Joseph has done many of our past economic updates and always does a great job presenting the facts and injecting humor into the presentation.

We are always looking to add motivated members to our board. If this interests you please contact me or talk to one of our board members at a meeting. I hope everyone has a great start to the year (and that we avoid as much snow as possible)!

*Brian Fehribach,*  
President



### SPONSORS

We would like to thank the following organizations for their support in sponsoring the IMA Cleveland East Chapter.

If you would like to have your business appear on this page, please contact Sandra Brenner at (216)839-7288 or Email: [sandra.brenner@basf.com](mailto:sandra.brenner@basf.com).



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[www.chavez-associates.com](http://www.chavez-associates.com)

Deadline for submitting information for next newsletter is the Monday following the technical meeting. Send your submissions to Carol Kuczer at: [ckuczer@ddr.com](mailto:ckuczer@ddr.com)

## IMA CLEVELAND EAST CHAPTER 2014-2015 BOARD OF DIRECTORS

Office	Name	Email	Telephone
President	Brian Fehribach	bmfehribach@mfcachet.com	(216) 228-8900 x272
Secretary	Enrico Varricchio	emdnv@oh.rr.com	(216) 475-8787
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Director Academic Relations	Forrest Reed	reedf@randrspecialtyfoods.com	(216) 870-6739
Director CMA	Sandra Brenner	sandra.brenner@basf.com	(216) 839-7288
Director Publicity	Ashley Hinkle	hinklean@my.hiram.edu	
Chair of the Audit	Vince Pona	vpona@millrose.com	(440) 347-1139

Need extra help with special projects?

Want to give a helping hand to an accounting student?

Interns are available to help your company. Both the University of Akron and Hiram College have accounting students that are ready, willing and eager to gain real life experience.

For more information, please contact Robin Schade at 216.227.3011 or via email at [rcschade@mfcachet.com](mailto:rcschade@mfcachet.com).



The Association of  
Accountants and  
Financial Professionals  
in Business

### IMA GLOBAL CORE VALUES

#### **Respect for the Individual**

We treat each other with respect and dignity, valuing individual and cultural differences. We communicate frequently and with candor, engaging in healthy debate and listening to each other, regardless of position or level. We work hard to create an environment that respects individuals in an atmosphere of open communication, growth, and learning.

#### **Passion for Serving Members**

We enable individuals to use their capabilities to the fullest to deliver exemplary products and services to members. That enablement extends to being passionate advocates in advancing our global profession. We care for all members and each other - building enduring relationships and driving continuous improvement. We appropriately recognize our volunteer leaders, who are so giving of their time and expertise.

#### **Highest Standards of Integrity and Trust**

We understand and abide by the IMA Statement of Ethical Professional Practice in our everyday actions. Our personal conduct ensures that the IMA name is always worthy of trust - our members around the globe deserve nothing less. We treat each other fairly, keep our promises, make decisions objectively, take responsibility for our actions, and admit our mistakes. We maintain confidentiality as appropriate.

#### **Innovation and Continuous Improvement**

We believe innovation and a spirit of continuous improvement are engines that keep us relevant, vital, and growing. Our culture embraces creativity and seeks different perspectives. We behave like owners of a "business," managing risks and identifying new opportunities in serving members and advancing the profession.

#### **Teaming to Achieve**

We encourage and reward both individual and team achievements, proactively working across organizational boundaries to always "remember the member." Our spirit of team achievement extends to advancing our professional and to being responsible and caring partners within our various communities.





## IMA CLEVELAND EAST CHAPTER Technical Meetings 2014-2015

Date	Time	Event
Tuesday, August 19, 2014	6:00 p.m.	Tour of The Hard Rock Rocksino
September 23, 2014	6:00 p.m.	Networking Night
October 21, 2014	6:00 p.m.	Student Night
Friday, November 21, 2014	All day	Controllers' Workshop
January 20, 2015	6:00 p.m.	Tax Update
February 17, 2015	6:00 p.m.	Economic Update
March 24, 2015	6:00 p.m.	Retirement Planning
April 21, 2015	6:00 p.m.	Ethics
May 19, 2015	6:00 p.m.	Tour of the Federal Reserve Bank of Cleveland
		2014 - 2015 Seminars
Thursday, April 23, 2015	8AM - 5PM	Annual Meonske Conference PreConference Workshop
Friday, April 24, 2015	8AM - 5PM	Annual Meonske Conference

### Cleveland East Chapter Anniversaries



Years	Members
38	Mario Mulig
10	Dennis Rarick
10	Courtney Mahan
4	Brooke Lobay
4	Forrest Reed
2	Brian Loveland



## NEW MEMBERS

Colin Smith  
 Christopher Hall  
 William Wolf





## Reach Your Goals with the help of the CMAPrepCourse

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Part 1 Begins March 1, 2014  
Part 2 Begins July 5, 2014  
9 Saturdays, 8 am - 12 pm

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OR  
Online

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To register, contact Professor Ronald Schmidt, CMA, CFM:  
[info@cmaprepcourse.com](mailto:info@cmaprepcourse.com) or 855.PASS.CMA (855.727.7262).

## THINGS TO CONSIDER ABOUT CMA CERTIFICATION



### Cleveland East Chapter Gleim IMA Chapter Partnership

Cleveland East Chapter members receive a significant discount off all Gleim CMA and CPE study materials including the new ethics course. Your Cleveland East IMA Chapter has partnered with Gleim to ensure your success on the CMA exam! Working together, we will provide you the necessary study tools to prepare for this difficult exam. Gleim has been preparing candidates for success with their extensive self-study course for over 30 years! The Gleim Review System enables you to identify your weak areas so you know where to focus your efforts and GUARANTEES that you will pass each exam part the first time. Our goal is that you achieve success while minimizing your frustration, cost, and time. As a member of the chapter, you are eligible for significant discounts on any of Gleim's CMA materials, as well as Gleim CPE.

To learn more about the program, or to print order forms, visit the Cleveland East Chapter website.

Gleim is excited to partner with Tri-C Corporate College to offer a live review for the Certified Public Accountant exam. This review will be held at the Corporate College East campus with weekly sessions specifically designed to help you pass the exam quickly and effectively. Classes begin with an orientation on August 2, 2014.

This offering is unique in terms of its affordability and the one-on-one attention you will receive. These review courses provide candidates with the tools, information, and knowledge necessary to pass the CPA exam the first time.

If you are a candidate who wants to pass the CPA exam quickly and appreciates the added value of a live instructor, call Sheryl Hunt today at (216) 987-0233 or email [sheryl.hunt@tri-c.edu](mailto:sheryl.hunt@tri-c.edu) to register. You can also check out their [CPA web page](#) for more information.

Class size is limited, so register NOW to reserve your seat.

## THE GOLD STANDARD



### Salary

Findings of IMA's 20th Annual Salary Survey indicate that professionals holding IMA's CMA certification have greater earning power - 24% higher in salary and 31% higher in total compensation - than their non-certified colleagues. These findings appear in the June 2009 issue of IMA's *Strategic Finance* magazine.

### Competitive Advantage

Businesses around the world rely on CMAs for accounting, finance and information management and most importantly, for the strategic planning and business solutions provided by these qualified professionals. Companies such as 3M, Boeing, DaimlerChrysler, DuPont, Hewlett-Packard, IBM, Johnson & Johnson, Milliken and Procter & Gamble recognize that employing CMAs helps to improve company performance in aggressive global business arena.



### Review Schedule Based on Gleim Publications Corporate College:

- For the CMA Exam the review for each part of the exam is about six weeks.
- The class meets initially for a 1-hour orientation.
- 5 more meetings, one a week, for 3 hours each.
- Students will take the exam part covered by the review within 2 weeks of the last live class.
- The review for each successive exam part begins 1 to 2 weeks after the review for the previous parts ends.

### Personal Satisfaction

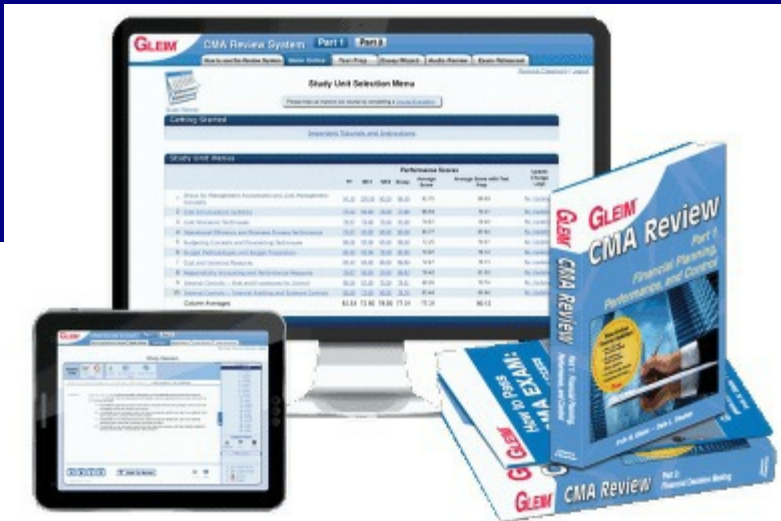
Prove your ability to become a strategic business partner, while you also enhance your self-confidence, your sense of accomplishment, and your resume.

### Professional Recognition

The CMA designation represents a broad business competency and mastery of the management-level skills required to add value, drive business performance, and build quality financial practices within organizations. The program objectively tests and validate expertise in areas essential to analyzing, managing and evaluating business solutions that contribute to the success of an organization. The CMA credential indicates a commitment to excellence based on a strong, ethical foundation and dedication to lifelong learning.

**Start On Your Road  
to CMA Certification Now!**





...Gleim is pleased to announce many new exciting updates to the Gleim CMA Review course. The CMA Gleim Online course has been expanded with more multiple-choice questions, essays, and updates to the digital book. For the first time ever, Gleim has included supplemental videos in the online course, which feature Dr. Passard Dean, CMA.

### [Save 15% on the newly updated Gleim CMA Review System.](#)

Over 150 new multiple-choice questions are now available in Gleim CMA Review, which includes the largest test bank in the industry. There are now over 3,100 ICMA-released and expertly authored questions in Gleim Test Prep. CMA candidates will also notice new functionality within Test Prep. While working in Gleim Study Sessions within Test Prep, candidates can now open and reference the digital book while answering questions. This functionality is particularly useful if candidates are frequently missing questions or need more clarification on certain topics.

The Gleim CMA Review System also now features 20% more essays. CMA candidates can practice answering exam-emulating essays in the Gleim Online Course and in the Gleim Essay Wizard.

Supplemental videos, featuring Dr. Passard Dean, CMA and Professor of Accounting at St. Leo University, will be available in the Gleim Online course starting in early April. These videos feature detailed walk-throughs of the multiple-choice questions that candidates find to be the most difficult. [Click here](#) to see a sample of the type of videos that will be added to the Gleim Online course.

Updates have been made to the Gleim CMA Review digital book to include improvements based on candidate feedback as well as more elaboration on key topics. The Gleim materials are written by professional educators, Dr. Gleim and Dr. Flesher, who have over six decades of combined teaching experience. Dr. Gleim was recently recognized by the Fisher School of Accounting at the University of Florida, a top ten accounting school, for his "renowned accounting [materials] that to this day are the field's authoritative learning resource."

[Click here](#) to learn more about Gleim CMA Review's newly updated materials and save 15% now, or you can [try the course for free here](#).

We look forward to helping you pass the CMA Exam.

Team Gleim

800.874.5346

[accountingteam@gleim.com](mailto:accountingteam@gleim.com)

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## YOU CAN USE

### A FEW WORDS FROM GLEIM

Be sure to read this month's CMA study tips news:

#### How to be a better test taker

[www.cleveast.imanet.org/partners/gleim/Feb2015.pdf](http://www.cleveast.imanet.org/partners/gleim/Feb2015.pdf)

#### Did You Know?

There is no charge to try either or both parts of the Gleim CMA Review Course

Click here to access the FREE trial today:  
[www.gleim.com/IMACHapterNewsletter](http://www.gleim.com/IMACHapterNewsletter)

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Be sure to read this month's news from accountemps:  
**"Top Finance Priorities and Challenges for 2015"**

[www.cleveast.imanet.org/partners/accountempsFeb2015.pdf](http://www.cleveast.imanet.org/partners/accountempsFeb2015.pdf)



Download your 2014 Salary Guide now!

You can also visit our Salary Center to order a free printed



### Advancing the Profession

IMA is dedicated to rebalancing the accountancy profession by educating society regarding the business building role of management accountants and finance professionals working inside organizations.

### Certified Management Accountant (CMA®) - The Gold Standard

Join a leading group of professionals who have advanced beyond the practical accounting skill set by earning IMA's prestigious global certification, the Certified Management Accountant (CMA®). Evolve into a strategic business partner committed to a standard of excellence grounded on a strong ethical foundation and a lifelong commitment to learning. Position yourself for career advancement and greater earning power. Gain a significant competitive advantage while demonstrating accounting, finance, information management and strategic planning skills necessary to drive business performance in the changing global economy.

### VISION STATEMENT

The world's leading association for management accounting and finance professionals.

### MISSION STATEMENT

To provide a dynamic forum for management accounting and finance professionals to develop and advance their careers through certification, research and practice development, education, networking, and the advocacy of the highest ethical and professional practices.







## **Expand your view and take charge of your career at IMA's 96th Annual Conference & Exposition**

Let IMA help you navigate your career path with opportunities to stay current with the profession, to continue your professional and personal development, and to connect with industry leaders. Join us in Los Angeles to experience inspiring speakers, create new contacts, and reconnect with peers in a dynamic, welcoming environment.

**MONTVALE, NJ, January 27, 2015** – Today, IMA® (Institute of Management Accountants) announced Early Bird registration for its [96th Annual Conference & Expo](#), to be held at The Westin Bonaventure in Los Angeles on June 20-24, 2015. With distinguished speakers and engaging dialogue tailored to accountants and financial professionals, the event provides opportunities for continuing education, networking and career advancement. The prestigious [keynote speakers](#) will address some of the most pressing topics in the accounting and finance fields, including cybersecurity, big data and social responsibility. Speakers include:

- **Stephen J. Dubner**, Author of *Freakonomics*, *SuperFreakonomics* and *Think Like a Freak*, who will present “Business & Management Lessons from *Freakonomics* & *SuperFreakonomics*”
- **Lynn Brewer**, Founder of The Integrity Institute and former Enron employee, who will present “From Good to Greed: Confessions of an Enron Executive”
- **Jerry Greenfield**, Co-Founder of Ben & Jerry's Homemade, Inc., who will present “An Afternoon of Entrepreneurial Spirit, Social Responsibility and Radical Business Philosophy”
- **Todd Buchholz**, Economist, former White House Economic Policy Advisor & Wall Street Executive, who will present “Competing in a Chaotic Economy”

Nearly 1,000 professionals from large and small businesses, public corporations, academic institutions and government agencies are expected to attend the conference, providing attendees with the opportunity to create strong business leads, meet potential customers and find new ways to explore their career in management accounting.

With a program of 50 sessions to choose from, attendees can earn up to 30 hours of NASBA-approved Continuing Professional Education (CPE) credits.

Early Bird registration will be available through March 27, 2015. For complete information on the Annual Conference and registration, visit: [www.imaconference.org](http://www.imaconference.org). Attendees can join the conversation at #IMA15ACE.

# IMA NATIONAL

## PUBLICATIONS

### Strategic Finance

IMA's flagship publication is an award-winning monthly magazine that provides the latest information about practices and trends in finance, accounting, and information management.

### Management Accounting Quarterly

MAQ is a quarterly, refereed online journal that contains in-depth articles by and for academics and practitioners of accounting and financial management.

### IMA Educational Case Journal

The IECJ® is a quarterly, online journal whose mission is to publish teaching cases in management accounting and related fields.

## PROGRAMS

### Educator Resources

IMA provides special tools and resources for the professionals who are developing the industry's future leaders. Academic members have access to IMA's ethics curriculum, case studies, webinars, research grants, mentor program, and many other teaching resources.

### Leadership Academy

The IMA Leadership Academy is designed to assess your leadership status, enhance your skills and recognize your leadership achievements.

### IMA Webinars

IMA's Inside Talk Webinar Series is a highly popular monthly webinar series that explores relevant topics from your professional and delivers timely information to broaden your knowledge and improve your performance.

## NETWORKING

### LinkUp IMA

The online professional network created exclusively for IMA members allows you to participate in groups related to topic areas or industries, IMA regional chapters and councils, subject matter and CMA study groups. You can post announcements and events, utilize share workspaces, find jobs and more.

### LinkedIn

Strengthens and extends your existing network of trusted contacts. It is a networking tool that helps you discover inside connections to re-connect with colleagues and classmates, power your career and get answers.

IMA's mission is to provide a forum for research, practice development, education, knowledge sharing, and the advocacy of the highest ethical and best business practices in management accounting and finance.

We do this by:

- Offering a rigorous, highly respected credential - the CMA - that recognizes and rewards expertise
- Building a peer network of professional relationships to share industry experience, access career opportunities, and make business contacts to last a lifetime
- Providing extensive education programs to advance professional knowledge, increase leadership potential, and satisfy CPE requirements
- Giving a voice to the profession with insightful and timely journals and newsletters
- Promoting leading-edge research and industry best practices
- Advocating for the profession in a challenging regulatory environment

IMA currently represents more than 60,000 accountants and financial professionals in business. The participation of each of our members makes the success of our mission possible.

## KEY CONTACTS

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Community Relations Associate of  
East Coast Chapters  
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Email: [WGiotta@imanet.org](mailto:WGiotta@imanet.org)  
IMA Website: [www.imanet.org](http://www.imanet.org)

## Power Your Potential

IMA is the resource for developing, certifying, and connecting the world's best accountants and financial professionals working in business.

## IMA Accounting Honor Society

**IMA®** (Institute of Management Accountants), the association of accountants and financial professionals in business, announced the launch of the new IMA Accounting Honor Society (IAHS), designed to support and acknowledge high-performing accounting students attending accredited colleges or universities around the globe.

IAHS is open to junior and senior students majoring or minoring in accounting, finance or IT with a 3.0 or higher Grade Point Average overall and in accounting. In addition, students must be nominated by a professor or provide proof of meeting eligibility requirements in order to be accepted into IAHS.

As part of IAHS membership, those recognized will receive a Certificate of Recognition, a graduation chord, digital badge recognition, access to a members-only LinkedIn group and more. Students pay a one-time fee of \$50 for lifetime membership.

IMA will begin accepting applications in March 2015. For more information on other opportunities IMA offers students, visit

[http://www.imanet.org/resources\\_and\\_publications/Students-Educators/students.aspx](http://www.imanet.org/resources_and_publications/Students-Educators/students.aspx).

# IMA NATIONAL

## IMA's Learning Center

### ***Inside Talk***

#### **Delivering Productivity, Financial Controls, and Automation for Accountants through Technology**

- **December 10, 2014 at 1:00 PM**

**All times listed are Eastern, GMT (UTC) -5, unless otherwise stated. Earn CPE Credits**

Attend the next *Inside Talk* webinar to earn one hour of FREE NASBA-approved CPE!.

You will earn CMA and CPE credits when you attend any live webinar. Replay webinars are available in the archive but do not earn credits.

Advance registration is recommended—IMA webinars are popular and fill up quickly.

#### **Questions?**

For questions about upcoming IMA webinars or for more information regarding program policies, please contact our offices:

[imawebinar@imanet.org](mailto:imawebinar@imanet.org)

(800) 638-4427

Or read the [IMA Webinar FAQ](#).

### ***Leadership Academy***

#### **Coaching**

- **December 18, 2014 1PM - 2:30PM**

**All times listed are Eastern, GMT (UTC) -4, unless otherwise stated.**

#### **Your success drives us.**

The IMA Leadership Academy offers a monthly education series for entry- and intermediate-level accountants and financial professionals to build or strengthen their leadership skills. Participation in Leadership Academy sessions qualifies for NASBA-approved CPE credits.

The monthly sessions cover a variety of leadership topics including, but not limited to, leadership skills, coaching, team building, and problem solving.

### **How To Register**

See the upcoming webinar schedule above. Session titles link to the complete description and registration process. Please note, all webinars are held from 1 p.m. - 2:30 p.m. EDT unless otherwise stated.

# IMA NATIONAL

## ***IMA's Jeff Thomson and Curtis Verschoor Named 'Top Thought Leaders in Trust' for the Fourth Straight Year***

**MONTVALE, NJ, February 3, 2015**—For the fourth consecutive year, Jeff Thomson, CMA, CAE, president and CEO of IMA® (Institute of Management Accountants), and Curtis Verschoor, Ph.D., CMA, CPA, chair of IMA's Committee on Ethics, have been named 2015 Top Thought Leaders in Trust, an award issued by Trust Across America-Trust Around the World (TAA-TAW).

The Top Thought Leaders in Trust award celebrates professionals—including CEOs, educators, researchers and other experts—who are elevating societal trust and transforming the way organizations do business.

"IMA is grateful to have two distinguished leaders honored by Trust Across America for four straight years," said Joseph A. Vincent, CMA, IMA chair. "Their recognition is a reflection of IMA as an organization with an unwavering and relentless focus on ethics and core values, always leading by example."

Shortly after assuming his role as president and CEO of IMA in 2008, Thomson introduced IMA's Global Core Values, which have solidified the association's reputation as a trustworthy and valuable business partner. Strengthened by Thomson's commitment to ethical behavior, IMA has grown in size, influence and respect while pursuing partnerships that serve the public interest.

Verschoor, the author of 11 books and more than 200 journal articles on ethics, trust and sustainability, has been instrumental in the ongoing development of IMA's Committee on Ethics, as well as the *IMA Statement of Ethical Professional Practice*, which serves as a guideline for appropriate business conduct for IMA members. He shares his thought leadership through a monthly column in IMA's *Strategic Finance* magazine and other outlets.

"We congratulate all of our honorees whose work is shining a spotlight on the importance of trust and providing a roadmap for others to follow," said Barbara Kimmel, executive director of TAA-TAW. "They inspire organizations to look more closely at their higher purpose, to create greater value for—and trust from—all of their stakeholders."

Committed to establishing integrity as a priority in the management accounting profession, IMA advocates the highest standards through its *Statement of Ethical Professional Practice*, Ethics Helpline and Committee on Ethics. For more information, visit IMA's [Ethics Center](#).

For details on the award and its winners, visit [www.trustacrossamerica.com](http://www.trustacrossamerica.com).



# Continuing Professional Education

## GLEIM

### New courses included in the Gleim Online CPE catalog:

- AICPA Code of Professional Conduct
- Corporate: Tax Computations (2014)
- Credits, Alternative Minimum Tax, FICA (2014)
- Critical Issues Between Your Clients and Their Bankers
- Decision Analysis: Operating Leverage, Breakeven, and CVP Analysis
- Decision Making: Marginal Analysis and Product Pricing
- Estates, Trusts, and Wealth Transfer (2014)
- Federal Tax Update (2014)
- Firm's Cost of Capital and Short-Term Financing
- Internal Auditing: Communicating Results
- Internal Auditing: Compliance Auditing and Other Types of Engagements
- Internal Auditing: Nature of Work, Governance, and Compliance
- New Revenue Recognition Standard (Topic 606): Revenue from Contracts with Customers
- Partnerships: Formation and Operation (2014)
- Property Transactions: Basis and Capital Gains & Losses (2014)
- Reporting Income from Debt Cancellation
- Taxes and the Affordable Care Act
- The Insurance Mandates and the Affordable Care Act

View these new courses as well as Gleim's entire listing of over 75 courses including those which cover Accounting, Auditing, Regulatory Ethics, Management, Business Law, and Taxation at <http://www.gleim.com/accounting/cpe>.

Contact Debbie Martin by 02/15/2015 to take advantage of a special offer of up to 40% off the regular price of CPE packages. Please visit <http://www.gleim.com/>

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352.375.6940 FAX  
Hours Mon-Fri 8am-7pm EDT

# Student Chapters Hiram College

*On Feb. 3rd we hosted the nationally renowned motivational speaker, Nobby Lewandowski CPA, who presented 'Motivational Messages on Life, Leadership, and Legacy'. Over 60 students and several faculty attended the event.*



*We have begun promoting a 'Professor of the Week' at meetings, allowing newer members to meet professors and get to know them more personally. Professor Earl Kissell was the Professor of the Week at January's meeting.*

*We are also finalizing plans to bring in Special Agent Todd Weitzel of IRS Criminal Investigations to speak with students in February.*

## **Richard Davis**

*Hiram College 2015*

*Accounting and Financial Management Major*

*President of IMA: Hiram Chapter*

*President of Hiram College Investment Club*

*Peer Tutor*



# Strategic Technotes

Michael Castelluccio Technology Editor

If Google's modular mobile continues along its present track, you will soon be hearing more frequent discussions about the future of the open architecture of the Ara smartphone vs. the controlled, closed architecture of iPhones and the Samsung Galaxy. Actually, already this week, the counterpoint to the headline "Apple reports largest profit in history" in the *Financial Times* showed up on knowyourmobile.com, which offered "Google Project Ara: In 2015 Smartphones WILL Go Modular."

Apple's recent spectacular performance is tied to the acceptance of the latest versions of the iPhone. In fact, iPhones account for 69% of Apple's revenues. And the iPhone business model depends on two key factors—an annual obsolescence cycle and a successful App Store.

Reporting on the latest numbers, Matt Krantz profiled that business model in *USA Today*:

"Selling high-priced hardware—over and over again—is creating a wealth-making machine like the world has never seen. Apple now has amassed a record pile of cash and investments of nearly \$178 billion... This massive pile of wealth is generated by the company's ability to get consumers to line up every two years to sign up for costly contracts for high-priced phones. This business model, which keeps the total cost of the hardware itself largely masked to consumers, helped Apple report a bigger profit than the world has ever seen in the fourth quarter of \$18 billion." The previous record was held by Exxon Mobil--\$15.9 billion in 2012.

Complementing its ability to maintain a customer base that will consider repurchasing almost every new release is Apple's ecosystem called the App Store with its current list of more than 1.2 million apps and 75 billion downloads. It's a closed system with all the elements tightly wrapped up in the same skin and hugging the same core. But you might recall a similar closed IBM hegemony and what UNIX and the PC revolution did to it. And then there was the battle of Microsoft vs. the Internet. Closed systems can be vulnerable to open source systems.

## Obsoleting Obsolescence

The basic idea behind a modular smartphone is neatly expressed in the motto of one of the original innovators, Phonebloks: "A Phone Worth Keeping." You select the modules that make up your own best version of a mobile phone, and then, if parts fail or there are better alternatives to what you have, you simply replace those modules you want to improve or fix. With the iPhone or Samsung Note, if you aren't happy with the camera, your only choice is to buy a new phone.

The Phonebloks modular concept began with a design created by Dutch designer Dave Hakkens. The story of his involvement can be seen in several videos on Phonebloks.com. Hakkens was upset with the growing problem of electronic waste and the lack of freedom of choice in smartphone features. He designed a modular version of the device, and then promoted the concept online hoping to encourage others to engineer and manufacture it. The recent partnership with Google has taken the concept into a more advanced stage of development.



# *Strategic* Technotes

Michael Castelluccio Technology Editor

Google's Advanced Technology and Projects debuted the Spiral 2 at its Project Ara Developers Conference. The slim phone has a large display on its front along with a receiver module that has a light and a proximity sensor. On the back, eight modules snap into the frame and are held in place magnetically. These include a camera, USB charger, Wi-Fi and Bluetooth radios, and the main processor for the handheld.





# Strategic Technotes

Michael Castelluccio Technology Editor

A Spiral 3 prototype is expected to be ready this June, and Google announced that it will launch a pilot program to sell Ara phones to customers in Puerto Rico later this year. The program will be supported by two carriers. The phones will be sold from trucks that will serve as mobile stores, and they'll also be available online. The price is not set, but the most frequently cited basic price will be about \$50 to \$100.

## Open Source Smartphones

The Project Ara FAQ (Frequently Asked Questions) page explains how open source fits this kind of technology and how the Spiral actually works. It even answers the question, "Why is it called Project Ara?" Turns out it isn't an acronym—Ara Knaian is the lead mechanical designer for Google. Here are three other questions posed in the FAQ:

### *What is Project Ara?*

This question addresses the *raison d'être* for a modular hardware ecosystem. As we have seen, the very successful iPhone system relies on a perpetual recycle mode and a company store (App Store) to which your device "owes its soul." A modular phone is way over at the other end of the field.

Here's how Google explains it: "Project Ara is a development effort to create a modular hardware ecosystem—rivaling mobile apps in the pace and level of innovation—around smartphones, with the goal of delivering the mobile internet to the next 5 billion people. Put another way, Project Ara aims to enable users to create a modular smartphone that is precisely tailored to their functional and aesthetic preferences."

Instead of apps, choice rests in modules. And the next five billion customers will include those who aren't yet connected to the Internet.

The structural design of the Spiral begins with the endoskeleton. Google explains, The endo is "the structural frame and data backbone of the device. The user can populate the endo with 'modules,' the building blocks that make up the vast majority of the phone's functionality and features. The modules can be easily and safely inserted and removed at any time, even while the device is powered on. The modules also have user-replaceable covers or 'shells,' which provide a creative canvas for users to make their phone look exactly as they wish. Ultimately, customers will be able to buy a complete Ara phone, configure one from scratch, or buy additional modules through the Ara Module Marketplace."

### *Is Ara a Nexus phone?*

This question addresses the uncomfortable possibility that Google might be thinking about taking over the whole movement and creating Nexus phones, like their tablets, that are owned, sold, and controlled by an almost Apple-sized mega-industry.

Google's answer is reassuring: "No, Project Ara will run the Android operating system, however, today, the program is still very much a development effort and is not an official Android or Nexus product."

# Strategic Technotes

Michael Castelluccio Technology Editor

*What makes Project Ara different from other mobile devices? Why would I want a modular phone?*

Here the answer concentrates on the practical and personal reasons for modular:

"With a modular platform, you can pick the camera you want for your phone rather than picking your phone for the camera. You could have a sensor to test if water is clean. You could have a battery that lasts for days. A really awesome speaker. A gamer phone. Or it could even be your car key. The possibilities are limitless."

"You can upgrade different parts of your phone when you need [to]. Replace a broken display. Save up for a high-end camera. Share a module with your family, or swap one with your friends. Now you don't have to throw your phone away every few years."

It's a "Phone Worth Keeping." And the system is open not proprietary. Want to design your own module for the phone? Just visit [projectara.com/mdk](http://projectara.com/mdk) and download the Module Developers Kit (MDK).

At first, the modules will likely be pretty basic. An extra battery module to plug in as you need it or a heart-rate monitor for personal training are obvious choices. But the possibilities are, as Google says, almost limitless. Check the video below to see how the audio company Sennheiser is thinking about the modules they're developing. (Click on the image.)



## *Strategic* Technotes

Michael Castelluccio Technology Editor

Want a little clock-face module on the back of your phone, working like a pocket watch to mix in with the photos of your kids or the countries you've visited this year on the backs of the other seven modules? It shouldn't be a problem, or even that expensive.

The revolution is set to begin sometime this year with the first volleys to be fired on a small island in the Caribbean. What kind of reception the modular Spiral 3 gets will depend a lot on the price, functional quality, and variety of modules. One thing is certain: it won't be your dad's BlackBerry or Nokia. And if it catches fire, you probably won't see the same growth curve for the next iPhone.

To be realistic though, the forces at the Apple end of the field look like one of those gatherings in the *Lord of the Rings*. At the most recent earnings call, CEO Tim Cook revealed that in the last quarter, Apple sold 34,000 iPhones every hour and that the total number of iOS devices sold has eclipsed one billion.

*Michael Castelluccio*