The Knowledge Hub consists of vendor-sponsored content designed to be helpful in your practice.

CALCPAHub.org
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While Excel provides upwards of 500 built-in functions, you may now and again find yourself needing one that isn’t there. Never fear, a new and easy to implement function allows you to create what you need.

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What’s in the Cards for 2021?

Quick-reference information for accounting professionals. pay.x.me/ca-rate-cards21

- **Federal Key Facts and Figures**
  - Tax rates and deduction information

- **Depreciation Key Facts and Figures**
  - Standard mileage rates
  - Declining balance rates
  - Bonus depreciation rates
  - Code Sec. 179 expensing
  - Depreciation recapture and more

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Paychex is proud to be the preferred provider of payroll, retirement, and HR services for the California Society of CPAs members.
Transitions are a natural part of life, and we’ve all certainly seen more than usual this past year. Changes to the ways we live, work and play have been sudden—while other changes that were underway, like advances in technology, have been accelerated by necessity. Thankfully we also have many constants to be grateful for: the hardiness of our communities, the resiliency of our institutions and faith in our collective ability to learn, adapt and grow.

Speaking of transitions and gratitude, I’d like to thank Anthony Pugliese for his skillful and energetic leadership at CalCPA for the past two years. Anthony’s passion for our organization and our profession has inspired new and exciting avenues for growth and service to our members throughout California. Anthony and I worked closely together for over a month to ensure a smooth handoff in leadership, while maintaining a sharp focus on serving members.

The team at CalCPA remains strong and talented, and I have tremendous confidence in the ongoing collaboration between our staff and volunteer leadership. As a former partner in a public accounting firm, I know the importance of maintaining a strong team. I am also a firm believer in giving back to our great profession and the broader community that has supported me throughout my career. I have served in various volunteer leadership roles in the nonprofit arena, including as a past chair of CalCPA’s Board of Directors. In my new role, I look forward to leveraging the experiences and relationships I’ve forged throughout my career to keep our great organization moving forward.

Service to our members is our primary mission—and you can count on CalCPA to support our profession’s prominent role in ongoing economic recovery and job preservation efforts throughout California. During the course of the last year, so many of our members have played a critical role in supporting small businesses throughout the state as they navigate the complexity of the provisions of PPP applications, forgiveness calculations and other related economic recovery programs.

Without the assistance of their trusted CPA, many of these small businesses in California would be unable to access the resources needed to sustain operations and keep people employed.

Serving as a conduit between government and small businesses, our members are having a tremendous impact on the recovery efforts across all sectors and throughout all of the counties of our great state. CalCPA has always served an important role between government and small businesses to ensure that members—and their clients and employers—have the necessary guidance for navigating complex rules and regulations.

Timely and relevant communication is essential, and we will ensure that you remain informed and ahead of the curve amidst an evolving economic landscape. And we will continue to provide guidance and updates on state and federal relief efforts like PPP provisions within the CARES Act and related tax legislation. CalCPA’s 14 chapters continue to be essential in our combined efforts to meet members’ needs as we coordinate and deliver programs like our highly popular online learning opportunities and conferences.

CalCPA’s Government Relations team provides essential information and access by remaining engaged with California state lawmakers. Our goal is to ensure that decision makers understand the profession’s interests and that legislation doesn’t have unintended consequences.

We also facilitate communication among state and national leaders as we advocate for the unique interests of CalCPA members—and when interests are shared, in tandem with the AICPA, NASBA and other state societies.

As economic recovery and job preservation efforts continue, you can be confident that CalCPA will remain at the forefront to keep you informed and equipped within a rapidly changing landscape. As a professional association led by and for our members, we remain dedicated to supporting you all the way through.

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\(^1\) Savings info based on 2020 CA Dept. of Insurance rate comparison 255B. Individual savings may vary. \(^2\) Discounts subject to qualification requirements. \(^3\) Repairs guaranteed for as long as you own your vehicle when repairs are completed at a Mercury authorized direct repair facility.

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Patience Wears Thin

Are you delaying job candidates and taking longer to hire? Be aware of what workers said they would do if they felt they were being strung along by hiring managers:

- **62%**: Lose interest in a job if they don’t hear from the employers within 2 weeks
- **49%**: Ghost the employer and drop out of the process
- **41%**: Blacklist the company and refuse to consider them for future opportunities
- **27%**: Vent about the experience using personal social media accounts
- **26%**: Leave a negative comment anonymously on review sites

—Robert Half

“...It is well documented that small businesses, nonprofits and the CPAs who advise them are experiencing error codes when submitting a PPP loan application. We continue to provide input to the Small Business Administration about these problems and are hopeful more progress will be made soon.”

—AICPA President and CEO Barry Melancon

$130T
The estimated wealth held by households at the end of 2020, as an increase of $12T from the previous year.

—Federal Reserve

53%
The number of finance leaders who said more than half of finance tasks currently handled by people could be performed by AI over the next three years.

—EY Financial Accounting Advisory Services

$1.9M
The amount 401(k) participants said they need to save for retirement.

—Schwab Retirement Plan Services

6%
The average amount that audit fees increased from 2018 to 2019 due to the expanded audit scope mandated by the proliferation of accounting standards.

—Financial Executives International

2,950
The number of examinations of financial advisory firms conducted by the SEC in 2020.

—SEC
What would you call a place where you can talk with other CalCPA members from the comfort of your home or office? Or where members can share ideas, best practices and other relevant info with each other?

Well, we call it Connect—our newest member benefit.

Our goal is to create interest groups where members can engage with each other, build meaningful community and share information to help each other.

Here you will find relevant articles, events and learning opportunities, CalCPA updates and other need-to-know info to help you make the most of your membership and build your career. And you are able—and encouraged—to determine what that information looks like by commenting on and posting articles; starting and participating in discussions; and private messaging other Connect members.

All of our Connect communities—currently 14 chapters and three related to state committees—Government Relations, Personal Financial Planning and Management of an Accounting Practice—are open to any CalCPA member. That means even if you’re preferred chapter is Los Angeles, but you’re curious about what’s going on with our Inland Empire Chapter, you can join that Connect community. Or, if you have an interest in personal financial planning, feel free to join our Personal Financial Planning Connect. And you can join as many Connect communities as you like.

Visit our Connect homepage—community.calcpa.org—and login with the same credentials you’ve been using to log into calcpa.org. Once you’re in, you’ll find a handy how-to in the Documents section of any Connect community you join. Questions? Email calcpaconnect@calcpa.org.

We look forward to … er, connecting … with you!
The American Rescue Plan Act (ARPA), enacted March 11, provides for a 100 percent premium subsidy for certain COBRA participants. ARPA will subsidize the full cost of COBRA from April 1–Sept. 30, 2021 for employees (and their dependents) whose COBRA qualifying event was loss of coverage due to involuntary job loss or reduction in hours.

The subsidy does not apply to individuals:

• Whose job loss was voluntary or termination due to gross misconduct.
• Who are eligible for another group health plan or Medicare.

The subsidy applies to both COBRA and CalCOBRA. Federal COBRA applies to firms with 20 or more employees, while CalCOBRA applies to firms with less than 20 employees. Whether COBRA or CalCOBRA, employers are required to determine who qualifies as Assistance Eligible Individuals (AEI) and provide a prescribed notice detailing the program.

COBRA employers pay the COBRA premiums to their health carrier on behalf of AEIs, then apply and receive reimbursement of the subsidy as a tax credit taken against their Medicare payroll tax payments.

CalCOBRA AEIs will have their subsidy taken care of by their health carrier who will receive subsidy reimbursement directly from the IRS.

There are many other facets not detailed here, including election periods and coverage options all of which will be provided directly to COBRA participants. And at this writing the IRS and U.S. Department of Labor are issuing regulations regarding ARPA COBRA which could alter any of the details described above.

If CalCPA Health administers COBRA/CalCOBRA for you, we can help with some of the ARPA COBRA notices and services. Not a CalCPA Health employer? Check with your health carrier or COBRA administrator.

For questions or more information, visit calcpahealth.com/cobra-tax-credits/ or contact CalCPA Health at info@calcpahealth.com or (650) 522-3258.
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ANNOUNCEMENTS
Lindquist LLP promoted Minal “Van” Jagtiani, CPA, and Deanna Rothschild to senior managers and Richard Mills, CPA, and Adaramola “Neye” Redmond, CPA, to managers … EisnerAmper promoted Matei Odobescu to partner … Grimblybe Coleman named Ian Grimblybe president and CEO and promoted Douglas DeBoer to principal … The city of Brisbane named Carolina Yuen its finance director … UserTesting named Shannon Nash to its board of directors.

MEMBERS IN THE NEWS
Motley Fool quoted Blake Christian in a Jan. 25 article on IRS deadlines for opportunity zones … The AARP quoted Michael Eisenberg, Bret Scholl, Mary Kay Foss and Melody Thornton in a February article about filing federal income taxes for the deceased … U.S. News quoted Michael Trank and Mary Kay Foss in a Feb. 5 article on what to know about filing taxes … U.S. News quoted Melody Thornton in a Feb. 12 article on educational tax credits and deductions … AccountingToday published an article Feb. 22 on cryptocurrency and opportunity zones co-authored by Blake Christian … The Feb. 22 LA Times quoted Susan Carlisle in an article on COVID-19 effects on taxes … AccountingToday quoted Anthony Pugliese and mentioned CalCPA in an article on diversifying the profession … Financial Advisor quoted Rob Seltzer in a Feb. 22 article the tax consequences of short-selling … Yahoo News quoted Mitch Freedman in a Feb. 26 article on red flags that could trigger an IRS audit … AARP Magazine quoted Mary Geong in its February/March issue in an article covering advice to seniors who wish to file their own tax return … BloombergTax quoted Blake Christian in a March 4 article on business gain taxation … AccountingToday quoted Brian Stoner in a March 10 article on preparers divided over postponing the filing deadline … CNBC quoted David Flamer and Gina DeRosa in a March 13 article on the American Rescue Plan Act’s inclusion of a tax waiver on unemployment insurance benefits and CBSNews quoted Rob Seltzer in a March 15 article on the same subject … ABC News interviewed Perry Ghilarducci March 17 about taxing unemployment benefits … Yahoo Finance quoted Rob Seltzer and Gina DeRosa in a March 18 article about filing tax returns soon, even though the deadline has been extended … Bloomberg quoted Mike Eisenberg in a March 18 article on the IRS’ decision to extend the tax deadline … AccountingToday quoted John Sensiba in a March 18 article on opportunities the down economy presents to accounting firms … U.S News quoted Michael Trank in a March 19 article on what to know about the kiddie tax … A March 19 AccountingToday article on the tricky parts of tax season quoted Brian Stoner and Rob Seltzer … Barron’s quoted Susan Carlisle in a March 20 article reviewing ways retirees can trim costs … AccountingToday quoted Rob Seltzer, Brian Stoner and Mary Kay Foss in a March 25 article on jobs tax pros want to delegate … U.S. News quoted Michael Trank in an April 2 article on tax filing tips for college students … Financial Advisor quoted Harlan Levinson and Rob Seltzer in an April 5 article on extended U.S. tax deadline … An April 5 article in the Sacramento Bee about the new unemployment tax break quoted Perry Ghilarducci.

Service Awards Nominations Open through May 31
Recognize an outstanding member or firm for a CalCPA Service Award, which include:
- **Public Service Award** (individual): Given to a CPA who has been especially active in service to the profession and community.
- **Public Service Award** (firms): Recognizes firms for their public service contributions on the local, state or national level.
- **Distinguished Service Award**: Granted either on the basis of long and distinguished service or for some singular act resulting in extraordinary contribution to the profession, CalCPA and the community.

The AICPA also recognizes our winners, who automatically become eligible for the AICPA Public Service Award. Find nomination forms at calcpa.org/leadership/calcpa-service-awards. The nomination deadline is May 31.
Excel has a lot of useful functions: FILTER, SUMIFS, VLOOKUP, XLOOKUP, SUM, SUBTOTAL and more. All in, Excel has about 500 functions, so it’s likely there’s one that returns the result you need.

But now and again you may find yourself where there isn’t a built-in function that returns the value you are trying to compute. Or the result you need requires an extremely complex formula with tons of nested functions.

Historically, the solution was to create our own user-defined function using VBA. And we can still do that. But now we have another option. We can create a custom function from an Excel formula that uses the new—and much easier to implement—LAMBDA function.

To illustrate the LAMBDA function, we’ll create a custom function that does something that isn’t built-in to Excel: computing the fiscal quarter of any date.

**Illustration**

For this example, we’ll use a fiscal year-end of June 30, but the formula could easily be modified for other year-ends as desired.

Let’s say we have a bunch of transactions with various transaction dates. To keep things simple, Figure 1 shows just the date column.

We’d like to write a formula that computes the fiscal quarter for each transaction date.

<table>
<thead>
<tr>
<th>Date</th>
<th>Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/15/2030</td>
<td></td>
</tr>
<tr>
<td>4/5/2030</td>
<td></td>
</tr>
<tr>
<td>7/4/2030</td>
<td></td>
</tr>
<tr>
<td>10/10/2030</td>
<td></td>
</tr>
</tbody>
</table>
Since Excel doesn’t have a built-in function that computes fiscal quarters, let’s begin our journey by writing a formula that uses built-in functions. There are many ways to write a formula such as this. One way is by using the MONTH and CHOOSE functions.

**MONTH**

By way of background, the MONTH function returns the month number of the specified date. For example, we could write the following formula into C8:

```
=MONTH(B8)
```

We could fill the formula down and bam (Figure 2).

As we can see, a January date returns 1, an April date returns 4, and so on. The MONTH function returns the month number of the specified date.

But that isn’t exactly what we want. We need to somehow convert that month number into the corresponding fiscal quarter. This is where the CHOOSE function comes in handy.

**CHOOSE**

The CHOOSE function looks at the value of the first argument (index_num) and returns the corresponding value argument. It looks a bit like this:

```
=CHOOSE(index_num, value1, value2, value3, …)
```

So, if the index_num argument is 1, the function returns the value1 argument. When the index_num is 2, it returns value2, and so on.

Let’s see how we can use the CHOOSE function to return a quarter number based on a month number. To make this easier to visualize, let’s momentarily assume we are on a calendar year.

**Calendar Year**

If we were on a calendar year, we know that January, February and March dates are Q1. So, for months 1, 2 and 3 we want the formula to return 1. When the month numbers are 4, 5 and 6, we want to return quarter 2. Months of 7, 8 and 9 should return 3. And months 10, 11, and 12 should return 4. We can do this with the following formula:

```
=CHOOSE(MONTH(B8), 1, 1, 1, 2, 2, 2, 3, 3, 3, 4, 4, 4)
```

The index_num argument is the month number computed by the MONTH function. Based on the month number, the CHOOSE function will return the corresponding value from the 12 remaining arguments. That is, month numbers 1, 2 and 3 return 1, 1 and 1. Month numbers 4, 5 and 6 return 2, 2 and 2. Month numbers 7, 8 and 9 return 3, 3 and 3. And month numbers 10, 11 and 12 return 4, 4 and 4. We can fill the formula down to confirm, as seen in Figure 3.

So far, so good; now let’s tackle the fiscal year conversion.

**Fiscal Year**

Since our organization is a June 30 year-end, we know that July, August and September dates are Quarter 1 while January, February and March dates are Quarter 3. And so on.

If we think about them in month-number order, 1-12, we know that month numbers 1, 2 and 3 should return 3, 3 and 3. Month numbers 4, 5 and 6 should return 4, 4 and 4. Month numbers 7, 8 and 9 should return 1, 1 and 1. And months 10, 11 and 12 should return 2, 2 and 2. So, we simply update the formula as follows:

```
=CHOOSE(MONTH(B8), 3, 3, 3, 4, 4, 4, 1, 1, 1, 2, 2, 2)
```

We could fill the formula down and bam (Figure 2).

As we can see, a January date returns 1, an April date returns 4, and so on. The MONTH function returns the month number of the specified date.

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```
=CHOOSE(MONTH(B8), 1, 1, 1, 2, 2, 2, 3, 3, 3, 4, 4, 4)
```

The index_num argument is the month number computed by the MONTH function. Based on the month number, the CHOOSE function will return the corresponding value from the 12 remaining arguments. That is, month numbers 1, 2 and 3 return 1, 1 and 1. Month numbers 4, 5 and 6 return 2, 2 and 2. Month numbers 7, 8 and 9 return 3, 3 and 3. And month numbers 10, 11 and 12 return 4, 4 and 4. We can fill the formula down to confirm, as seen in Figure 3.

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```
=CHOOSE(MONTH(B8), 3, 3, 3, 4, 4, 4, 1, 1, 1, 2, 2, 2)
```
We fill the formula down and bam, Figure 4.
And we did it! Yay! We wrote a formula that returns the correct fiscal quarter.

Now, let’s say that we have many areas in the workbook that require that same conversion, from dates to fiscal quarters. Or let’s say that other people must perform this calculation often, as well. And, maybe they aren’t as comfortable combining the CHOOSE and MONTH functions like this.

Rather than write the formula that uses CHOOSE and MONTH over and over, we can use our formula to create a custom function.

That is, we can create a custom function such as FISCALQ that performs this conversion for us. That way, anytime we, or another user, needs to perform this conversion, a simple formula such as the following will return the desired result:

= FISCALQ(B8)

This makes it easier to understand what the formula does and makes it easier to implement in our workbook. We can simply convert our existing formula into a custom function with the help of the LAMBDA function.

Note: Depending on your version of Excel, you may or may not have access to the LAMDBA function.

The LAMBDA function enables us to create a custom function that we can use in our formulas. Although we could use the LAMBDA function in any formula in any cell, the way we create the function name is by using it with the Name Manager.

We start by copying our working formula and then selecting the Formulas > Name Manager command. We click New and then paste the formula into the Refers to field. We provide a function name such as FISCALQ in the Name field.
At this point, we should have something that looks like what we see in Figure 5:

![Figure 5](image_url)

Now, this is where the LAMBDA function comes into play. The LAMBDA function basically looks like this:

```
=LAMBDA(parameter, calculation)
```

Parameter is basically the name of our input value (function argument) for example, the date we are trying to convert. We can pretty much name it whatever we want (avoid spaces and funky characters). In our case we’ll call it CalDate. The calculation is an expression that computes the desired result. In our case, it will be a slightly modified version of our CHOOSE/MONTH formula.

We basically need to wrap the LAMBDA function around the existing formula, and then substitute the B8 date reference with the new parameter name (CalDate) like this:

```
=LAMBDA(CalDate,CHOOSE(MONTH(CalDate),3,3,3,4,4,4,1,1,1,2,2,2))
```

If we look at that formula for a moment, we’ll see that the LAMBDA function accepts as its input a variable named CalDate. As such, CalDate is the FISCALQ function’s argument.

LAMBDA takes the CalDate input value and uses it in the calculation, which in this case is the CHOOSE/MONTH formula. You’ll notice that previously, the MONTH function operated directly on a cell reference (B8). We replaced that direct cell reference with CalDate.

So, LAMBDA is expecting an input value of CalDate, and then it provides that value to the MONTH function.

---

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After updating the formula, the New Name dialog should look a bit like Figure 6:

We click OK to save the new function. Once done, we can use that function in an ordinary formula. In our case, we can write the following formula into cell C8:

\[ \text{=FISCALQ(B8)} \]

The reference to B8 is passed into the LAMBDA function as CalDate. The expression then uses the MONTH function to compute the month number of the CalDate parameter. The CHOOSE function does its thing and returns the corresponding quarter number. When we fill the formula down, bam, Figure 7.

So, why would we go through the effort to convert the CHOOSE/MONTH formula into a custom FISCALQ function? There are a couple of advantages. For example, when reviewing the formula, it is easier to understand that the formula is computing the fiscal quarter. Once set up, it is also easier to use that function in other formulas throughout the workbook.

Also, tucking the logic of the fiscal year conversion into a custom function means that it is less likely that another user will accidentally “break” the formula.

Plus, the custom function is easily transferred to other workbooks by simply copying any formula cell with the FISCALQ function and pasting it into the other workbook. Excel will automatically create the function name and related formula in the new workbook.

I hope this helps you get started with the LAMBDA function. And remember, Excel rules! 

Jeff Lenning, CPA is president at Excel University. You can reach him at jeff@excelu.com.
Alexa, Do My Taxes

Speed Up the Tax Process with RPA

BacoTech (BacoTech.com), which recently got its patent approved with the U.S. Patent and Trademark Office, has developed tax software they describe as a “middleware hub” that manages all clients books in a single location. “Middleware” here means the middle space between your client’s ERP accounting software (Xero, QuickBooks Desktop or Online, NetSuite, etc.) and your tax software (ex: Lacerte, Ultra Tax, CCH Axcess, ProSystems Fx).

A better middle earth, if you will.

The best way I can describe the software is a single workflow tool for tax teams that provides a real-time connection to your clients accounting software, with a functional dashboard. Need to set a capitalization policy? Done. Need to review transactions in an account? Simply click. Need to toggle between GAAP and Tax? Easy. Have multiple entities like me? The software consolidates it beautifully. Goodbye, Excel consolidations.

Speeding up the tax return means speeding up the audit and the valuation. Which means happy stakeholders. Awesome!

Who is BacoTech?

Longtime Texan Ford Baker, CPA and his team developed the software. Baker started out in a Big Four firm back in the 1980s, then moved to a smaller CPA firm offering better technology, commissions and work-life balance. The move was just what Baker needed, since he was a raising a young family and had climbed the very long corporate ladder of long hours and toil until reaching comfy senior manager and partner environs.

By eliminating the need to start with beginning balances and going straight to the source, Ford has adapted a “transactions based” workflow approach to tax preparation that may change the way we approach tax returns. Or audits. Or financial reporting.

The Goal: Speed Up the Process

In his words, “Traditional workflow platforms for CPAs are solutions that allow us to start our work when we receive the financial statements or trial balances from clients, typically sometime in February. Returns are due in March and April, so these solutions give us about 60 days to finish every return. This is impossible, so CPAs extend based on guestimates and spend our year cleaning up client issues and questions from the previous year. This traditional workflow is what we call balance-based workflow and it is the primary reason we are so inefficient. CPAs commonly point to issues like time compression, redundancies or client issues as our reason for inefficiency, but those are merely symptoms.”

By Touching Everything Once

A central theme in Ford’s approach is to touch everything once. This is a core tenet of developing scale: the more times someone touches something, the greater the likelihood of errors. How many times have you received an Excel file from a client that ends in v6 or v10? And we’re not talking a car engine. Wouldn’t it be easier if you could have a connection into their financials, displayed in a logic that makes sense to you, and allow you to do your thing?

The challenge here is that the information inputted from your client must be good. You can reclassify entries in BacoTech’s software, but if there are independence issues, you of course you cannot. You can set up controls, as well, so that the right people control what they should. In some ways, software like this requires even better client competence. Which is where things are headed: corporate finance teams will get smaller with better competence and efficiency through technology.

Since We’re Dealing with Real-time Information

In our fast-changing world, being one step ahead is key. Looking at the past often leaves you behind. Years ago while teaching me at a late hour during busy season how to review a complex real estate fund tax return and...
audit, my terrific mentor John Strittmatter asked me, “Why can’t the accountant live in the present?” “Hmmm, because they’re overtaxed!” I replied. John replied, in his classic dry wit, “Because they’re always living in the past!” This joke always makes me smile and my heart warm. It’s very true, I think I even questioned “Why doesn’t the audit numbers match the tax and should they??”

Being able to react to real-time information is now the norm. We are now advisers to our clients, acting in real time, and not even guessing how Q1 went because we already know how Q1 went. Clients are already asking us what the proposed President Biden tax plan means for them and their business. In the Baco software, you can quickly queue consolidated financials, peek in and see where your client (or accounting staff) coded key accounts such as assets, investments, liabilities and equity—and adjust as needed so that you can proactively guide decisions.

Thanks to RPA, on the Automation Scale
On the automation spectrum, which generally runs from robotic process automation (RPA) to artificial intelligence (AI), I’d place BacoTech’s platform on the RPA end. Which is fine; with the ever-changing tax code, human judgment might be needed for some more time. But if AI could ever figure out the tax code and understand how, say, IRC Sec. 304 causes concern for related parties, that could be interesting. I’d grab my popcorn and watch.

Since Clients Have More Options Than Ever
Outside of the most loyal clients, people have so many options these days to obtain accounting and tax advice. Most of it for free (Google), most of it wrong (Google). But there are plenty of RPA and AI powered upstarts that want business and are hiring defectors from public accounting. Finding your competitive edge in a smart, sustainable way should be the utmost priority to thrive in the long run. Value is an ever-changing ideal; delivering value this year means something else next. It’s up to us to define value; by the time the market has, it’s too late.

And the Value of Time Increases
I received my multi-state tax return for our six consolidated entities three weeks before the due date this year. Guess what I am doing on my birth in April? Riding my bike up Mt. Tam, and not following up with my tax team.

As So Does the Speed of Change
Our audit and valuation are in draft, as well, five months ahead of schedule. Next year, the return will be done even earlier. I was the slacker this year; next year I promise to be better. I’m a happy guy.

What is your favorite time saving tool? [4]

Trevor Gilmore, CPA/ABV, MST is the CFO & COO for The Menke Group. You can reach him at tgilmore@menke.com.

All Things Tech
Find courses on Excel tips and tricks, improving productivity with Office 365, and implementing password management and data loss prevention tools at calcpa.org/rsvp.
On the Edge

no doubt you’ve heard the terms “leading edge” and “bleeding edge” when referring to newer technologies in the workplace. Many use these terms to describe newer—sometimes untested and unproven—technologies. Indeed, most business professionals need to be aware of these new technologies that might impact them in the future.

However, a more immediate concern is what are the practical technologies that can improve productivity today? In this article, you will learn about five practical and proven technologies that you can use today to enhance personal and team productivity.

Collaboration and Synchronization Tools

Today’s business climate is one in which collaboration is an integral component of many processes. Team members frequently need others’ input when working on word processing, spreadsheet and presentation documents. Legacy means of collaboration typically involve emailing files to each other—but this often leads to unproductive issues such as multiple copies of the same file, lack of version control, reduced visibility of changes to documents and challenges to incorporate all changes into the original file. Fortunately, there is a better way!

You have a multitude of collaboration tools available to you today to address collaboration and synchronization issues. For example, the Microsoft stack includes Teams, OneDrive for Business and SharePoint Online. With these technologies, you can facilitate multiple users viewing and editing the same document simultaneously. You can also use these tools to keep copies of these documents synchronized between your device and Microsoft’s cloud-based storage environments, so you always have access to the latest version.

Likewise, tools from Google and Zoho can facilitate similar levels of collaboration and synchronization, and all of these tools are available on monthly subscription plans, eliminating the need for large, up-front cash outlays.

Password Management & Data Loss Prevention Tools

Business professionals waste countless hours every year trying to access their systems and data. These tools recall your passwords and insert them on-demand into your applications and websites, as well as create the “long-and-strong” passwords we all need. In this market, applications such as RoboForm, Zoho Vault, LastPass and Dashlane are among the many outstanding options you have to improve password security.

Additionally, if you’re running business-oriented Office 365/Microsoft 365 subscriptions or Google Workspace, you may have access to Data Loss Prevention (DLP). DLP is a technology that helps restrict the flow of sensitive outbound data (such as Social Security numbers embedded in an email message) and where you save such data on your network. By activating DLP rules, you can efficiently and effectively prevent disclosing sensitive information. And if you don’t already have access to DLP capabilities, you can use third-party DLP applications to take advantage of this technology.

Workflow Tools

Where’s that approval? Who authorized that purchase? What’s the status of that tax return?

These are all examples of questions that should never arise if you use workflow in your organization. Workflow applications allow you to create rules that automatically route documents to the appropriate next person in a business process.

For example, tax practitioners could use workflow management software from XCM to ensure that a tax return follows a prescribed processing path while preparing it for a client. Similarly, a Controller using Sage 50cloud Quantum could track the flow of transactions and ensure that team members follow established internal control procedures met using the built-in workflow options available in the application.

Bank Feeds

If you or a client are not yet using bank feeds,
you may be missing out on one of the best practical technologies available today. First pioneered by many of the cloud-based accounting applications, bank feeds allow you to connect your bank account (or credit card account) to your accounting application. Once you make the connection, whenever a transaction clears your bank account, it automatically synchronizes to your accounting application.

Typically, if the transaction already resides in the accounting application, the bank feed “matches” the two versions and clears them from the bank reconciliation. If there is no matching transaction in the accounting application, the bank feed enters the transaction automatically on your behalf. As it does so, it follows rules that you establish to control to which general ledger account(s) the transaction posts.

Those who take advantage of bank feeds reap the rewards of spending less time entering and reconciling transactions. They also benefit from “rules-based” accounting because each transaction entered by the bank feed process follows a specific set of rules, without exception.

**Robotic Process Automation**
Robotic Process Automation (RPA) represents a new way of working, whereby rote, repetitive tasks are automated using software-based “robots.” In fact, many team members use RPA every day and don’t realize it.

For example, companies could use RPA to create automated responses to emails from customers. The company benefits from improved customer satisfaction stemming from quick responses and reduced labor costs because an RPA process sent the email.

RPA generally works best where critical thinking and analysis are not necessary. For example, many organizations use RPA to process accounts payable bills. As the company receives paper bills from vendors, they are scanned, and an RPA tool extracts relevant details from the document, such as invoice number, date, amount and purchase order number. The automation continues as the tool enters the data into the accounting application, matches it to the purchase order and authorizes the bill for payment—without the need for human intervention.

Of course, if exceptions arise—such as a price discrepancy between the purchase order and the bill—a team member can get involved to address the issue.

RPA frees your team members from repetitive processes that consume so much of their time to focus on tasks that add value to your company.

**Summary**
Leading- and bleeding-edge technologies can be fun to think about and consider how they might help your business. But, in the here-and-now, it will be tried-and-true, practical technologies that have an immediate positive impact on your bottom line. All the best for that journey!

**Thomas G. Stephens** is one of the shareholders of K2 Enterprises (k2e.com) and a CalCPA Education Foundation instructor. You can reach him at tommy@k2e.com.

**Want more?**
For more courses offered by this author and K2 Enterprises, visit www.calcpa.org/rsvp and type “technology” in the search field.
The PPP Saga

Tax Deadline Approaches without a Resolution

clarify that recipients of PPP loans can still claim normal business expense deductions. CalCPA worked with the AICPA and other national stakeholders to make sure this issue was a priority. Unfortunately, the timing of this fix was unclear once it was folded into negotiations for the next stimulus package.

Congress eventually addressed the issue in December as part of The Consolidated Appropriations Act, 2021, effectively superseding IRS guidance and clarifying that business expenses paid with forgiven PPP loans are tax-deductible.

The Ripple Effect on California
Not knowing if Congress would address the deductibility issue, California passed AB 1577 in August. CalCPA worked with legislative leaders to make sure state tax laws were in alignment with current federal tax rules at that point, which exempted forgiven PPP loans from taxable gross income, but included the IRS guidance that disallowed the deductibility of associated expenses. Despite these efforts, Congress’s action in December (after AB 1577 was signed into law) rendered California out of conformity.

The Winding Path Back
CalCPA members turned back to the Legislature in January and February to relay the need for state action to address PPP loan tax rules. CalCPA members outlined the consequences small businesses across the state will face if California doesn’t act to conform and the need for CPAs to have direction on how to proceed well ahead of tax season.

Subsequently, Gov. Newsom and legislative leaders announced an initial attempt to provide relief for some PPP loan recipients. This approach stopped short of full conformity, but would have allowed limited deductions up to a certain threshold. The limited conformity was an effort to manage the impact of allowing the additional deduction on the state budget, which had assumed deductions would be disallowed.

The Treasury Delay
California’s path to conformity was then abruptly halted by California leaders. A provision in the American Rescue Plan Act of 2021 raised questions on how state relief dollars could be allocated. California leaders wanted to be sure that tax relief measures, like PPP conformity, would not jeopardize federal aid allocated to states.

Confusion regarding if, when and to what extent California will conform to federal PPP tax rules complicated many tax returns.

As a result, CalCPA sent a letter to U.S. Treasury Secretary Yellen and California’s Congressional delegation urging that guidance be issued as soon as possible so California policymakers are able to act on critical tax policies, like PPP conformity. CalCPA also sent a letter to Gov. Newsom and the California Legislature urging as much direction as possible so CPAs, at minimum, could start working with their small-business clients on tax compliance framework.

The Treasury ultimately clarified that such an action would not endanger federal funds—clearing the way for California to take action on PPP conformity.

Back in California’s Court
With the green light from Treasury, California ultimately amended AB 80 to allow taxpayers to generally follow the current federal PPP tax rules for state tax purposes. However, it notably outlines ineligible taxpayer including publicly-traded companies and those that do not meet the 25 percent reduction from the gross receipts requirements added as part of the Consolidated Appropriations Act, 2021.

While the language does not fully conform to allow all taxpayers to follow the federal rules, it does provide direction and clarity on an issue that has been a priority for many CalCPA members and their clients—which is significantly important as we near tax deadlines.
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- **PLACE** your job in front of CalCPA’s highly qualified members and opportunity seekers.
- **SEARCH** our resume database of qualified candidates.
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- **LEVERAGE** social connections by posting your resume or anonymous career profile that leads employers to you.
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Rude Awakening

Employers Paying Staff Under the Table Be Warned

At the outset of the COVID-19 pandemic, business owners, employees and government officials scrambled to strike a balance between keeping the general population safe and staying financially afloat. One of the federal-level strategies used to address immediate cash needs of those left without a stable paycheck involved an increase to state-funded unemployment benefits. The increase was large enough to give employees pause when deciding whether to return to work. Several unscrupulous employers, desperately needing their staff to return to work, made payroll “under the table,” allowing their employees to continue to receive enhanced unemployment benefits while still earning a wage. This article addresses the potential exposures caused by such behavior.

Unemployment Benefits in COVID-19 Era

The CARES Act, signed into law March 27, 2020, provided relief to both individuals and businesses affected by stay-at-home orders related to the COVID-19 pandemic. One of the provisions of the CARES Act established the Federal Pandemic Unemployment Compensation program (FPUC). Under FPUC, recipients of state unemployment benefits received an additional $600 of benefits per week. Increased unemployment payments were extended beyond the original July 25 expiration date and received an additional $300 of payments through mid-March 2021.

As some U.S. states modified stay-at-home orders to allow for some in-person activities, employers, especially those in the food and retail industries, found themselves struggling to entice their employees to return to work. In many states, the FPUC unemployment payments (in addition to state-funded unemployment benefits) exceeded what employers were able to pay. Some employers went so far as to pay their employees in cash to allow staff to continue to receive unemployment benefits. Even prior to the COVID-19 pandemic, paying employees under the table was illegal in most states, but provisions of the CARES Act can result in additional negative consequences to both employees and their employers.

The Legality of Paying Workers in Cash

California law prohibits employers from paying their employees in cash. Illegal well before the COVID-19 pandemic, businesses that pay their employees under the table face both criminal and civil liability. Employers who pay their workforce in cash do not properly withhold payroll taxes from their employees’ paychecks and very rarely pay the employment taxes associated with the wages. Consequently, employers also violate federal and state tax laws in the process.

In addition to potential criminal liability, paying employees under the table can be incredibly costly from a state tax perspective. Generally, employers are only required to pay for unemployment insurance and Employment Training Tax (ETT) for up to $7,000 of an employee’s wage. If the California Employment Development Department (EDD) conducts an audit and is unable to determine the actual wages paid to each employee, they can assess the unemployment insurance and ETT on the full amount of wages paid. Additionally, many payroll-related taxes paid by the employee, such as State Disability Insurance, fall on the shoulders of the employer. The EDD estimates that paying employees in cash can cost up to 20 times more than paying them through a legal payroll process.

Employees are also open to both civil and criminal liability when paid in cash. Employees who do not report all their income are generally underpaying state and federal taxes. Penalties for under-reporting income on an individual tax return can include a requirement to pay back-taxes, penalties and interest. Those who willfully under report their income could face criminal liability. Lastly, employers being paid under the table while receiving unemployment benefits (with or without FPUC modification) have committed unemployment insurance fraud, which could result in civil and criminal penalties, as well as the inability to draw on unemployment benefits in the future.

Paying Workers Under the Table Could Have PPP Consequences

Many businesses were approved for loans under the Paycheck Protection Program (PPP). As a part of the PPP, businesses were able to apply for a loan of up to two and a half times their average monthly payroll costs. The first and second PPP draws allow for full forgiveness of the PPP debt if employee and compensation levels are maintained and all the PPP loan proceeds were used to pay for payroll costs and other eligible expenses, with at least 60 percent of the PPP loan proceeds used to exclusively pay payroll costs.

Requesting PPP loan forgiveness requires borrowers to provide support from their payroll servicer evidencing that the above requirements were met. Those employers paying workers under the table will not be able to provide sufficient documentation for forgiveness and will be required to repay the PPP loan in full.

Although many employers who paid their employees in cash were likely trying to keep their business staffed during these difficult times, the repercussions could outweigh the benefits. Employers who have engaged in under-the-table payments and employees who were on the receiving end of cash payments should contact a tax professional to determine the steps needed to minimize potential criminal and civil exposures.

David Klasing, Esq., CPA is the owner of the Tax Law Office of David W. Klasing, P.C. You can reach him at dave@taxesqcpa.net.
ASB's ASU 2019-08, Compensation—Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606), Codification Improvements—Share-Based Consideration Payable to a Customer is applicable to all companies within the scope of ASC 606, Revenue from Contracts with Customers, that provide shared-based payment awards to their customers.

This ASU applies only to share-based awards issued to customers under ASC 606 and does not address stock awards issued by lessors to lessees under ASC 842, Leases.

The guidance aims to eliminate diversity in practice with respect to measuring stock awards that companies grant to customers. The standard requires that companies measure share-based consideration payable to a customer as either equity or liability on their balance sheets under stock compensation guidance; however, the awards should be recognized as a reduction in the transaction price under revenue recognition guidance.

ASU 2019-08 relies heavily on the provisions of ASC 718, Compensation—Stock Compensation, and ASC 606, and as a result, embeds some obscure technicalities carried over from these two standards.

Share-based Consideration Payable to a Customer
ASC 606-10-32-25A requires companies to measure and classify the stock awards that they grant to customers in conjunction with selling goods or services under Topic 718 on stock compensation. The share-based considerations granted to customers subject to ASU 2019-08 have the rudiments of ASC 718:

- Companies measure the share-based consideration payable to customers at fair value on grant date.
- Companies estimate the fair value of their stipulated grants in revenue contracts prior to an actual grant and adjust their fair values at grant date.
- Companies elect a forfeiture policy for stock grants to their customers at the outset, and adjust the value of their grants periodically as appropriate.
- Companies classify their grants as equity or liability and account for them accordingly.

Grant Date of Stock Awards
Grant date is the date at which a grantor (a seller) and a grantee (a customer) reach an understanding of the key terms and conditions of a share-based payment award. The grantor becomes obligated to issue the stock awards prior to approval and actual grant.

Fair Value of Stock Awards
If a company grants equity awards to customers, since observable market prices are generally not available for such stock awards, it uses an option-pricing (or equity valuation) model to estimate the fair value of such awards. The best-known valuation models are the Black-Scholes-Merton (BSM), Monte Carlo simulation and lattice (binomial).

Estimating, Adjusting the Fair Value of Stock Awards
If a company needs to estimate the fair value of customer stock awards before their grant dates, it needs to adjust their fair values in each reporting period until it grants the awards.

Estimating Stock Awards’ Forfeitures
Companies may elect to either account for forfeitures as they occur or estimate and adjust the estimate when it is likely to change or when actual forfeitures differ from estimates. When a company grants stock awards to its customers, and subsequently changes its estimates or some of the awards get forfeited, it should adjust the revenue amount accordingly.

Equity vs. Liability Classification
The classification of stock awards as equity or liability is an important aspect of the accounting for share-based arrangements, since companies measure their equity-based awards on grant date and do not remeasure them unless the awards are modified; whereas, companies remeasure the liability-based awards at the end of each reporting period and reflect the result as a reduction of revenue in accordance with ASC 606.

The FASB has identified criteria in ASC 718-10-25-6 through 25-19 for determining if companies should classify stock awards as a liability or equity. The following are instances that companies should take note of:

- Stock awards with conditions or other features that are indexed to something
- Regulatory Review

BY JOSEF RASHTY, CPA
other than a market, performance, or service condition.
• Stock awards that meet certain criteria of ASC 480, Distinguishing Liabilities from Equity.
• Stock awards with a repurchase feature that permits a grantee to avoid risks and rewards.

Revenue Contracts & Customers
ASC 606-10-20 defines a contract as “[a]n agreement between two or more parties that creates enforceable rights and obligations [for the parties involved].” ASC 606-10-25-1 requires that companies meet the following criteria before they can account for a contract with a customer under ASC 606:
• Parties to the contract have approved it and are committed to perform their respective obligations;
• Contract can identify each party’s rights and obligations regarding goods and services transacted;
• Seller can identify the payment terms of the contract;
• The contract has a commercial substance; and
• Seller considers the collection of the consideration as probable.

Contract Consideration
ASC 606-10-32-25 defines consideration payable to a customer as follows:
• Cash amounts that an entity pays, or expects to pay, to the customer (or to other parties that purchase the entity’s goods or services from the customer);
• Credit or other items (for example, a coupon or voucher) that can be applied against amounts owed to the entity (or to other parties that purchase the entity’s goods or services from the customer); and
• Equity instruments (liability or equity classified) granted in conjunction with selling goods or services (for example, shares, share options, or other equity instruments).

An entity shall account for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service (as described in paragraphs ASC 606-10-25-18 through 25-22) that the customer transfers to the entity.

Variable Consideration
In some instances, companies may need to estimate the transaction price due to the contingent fair value of stock awards. If so, they should follow ASC 606-10-32-5 guidance: “If the consideration promised in a contract includes a variable amount, an entity shall estimate the amount of consideration to which the entity will be entitled in exchange for transferring the promised goods or services to a customer.”

ASC 606 views consideration variable if the amount an entity receives is contingent upon a future event, even though the amount is fixed. ASC 606-10-32-8 provides that entities can estimate the variable consideration using one of the following methods: the expected value (the sum of probability—weighted amounts in the range of possible consideration amounts), or the most likely amount (the single most likely outcome of a contract).

Conclusion
Implementation of this guidance requires judgment and analysis. This article provides only a general framework: some transactions may have intricacies underlying their business content that must be analyzed and researched in more depth.

Josef Rashty, CPA, Ph.D. (candidate) is an adjunct professor of accounting at Golden Gate University. You can reach him at jrashty@josefrashty.com.
Report From CalCPA’s 2020-21 Nominations Committee:

CalCPA Officers for one year 2021-22, elected by CalCPA membership, with term beginning on July 1 and concluding on June 30:

Chair: Christie Simons, San Francisco Chapter
First Vice Chair: Tayiika M. Dennis, Los Angeles Chapter
Secretary/Treasurer: Meredith A. Johnson, San Francisco Chapter

Immediate Past Chair of CalCPA serving a one-year term, 2021-22:
Jolene N. Fraser, Sacramento Chapter

CalCPA Vice Chairs, a two-year term, 2021-23:
Vice Chair: Jillian N. Phan, Los Angeles Chapter
Vice Chair: Mike A. Ray, San Francisco Chapter

CalCPA Vice Chair, a two-year term, 2020-22:
Vice Chair: David J. Neighbors, Silicon Valley/San Jose Chapter
Vice Chair: Miklos Ringbauer, Los Angeles Chapter

Appointed member of the Board of Directors for 2021-23:
TBA, Appointment by Chair

Appointed member of the Board of Directors for 2020-22:
Maya S. Ivanova, Inland Empire Chapter

Members of the Board of Directors elected from and by the CalCPA Council for 2021-23:
TBA, Elected at July 2021 meeting
TBA, Elected at July 2021 meeting

Members of the Board of Directors elected from and by the CalCPA Council for 2020-22:
Peter W. Brown, Los Angeles Chapter
Erin E. Roche, San Francisco Chapter

Council Members at Large, a two-year term for 2021-23:
Danielle Fontaine, Silicon Valley/San Jose Chapter
Shannon K. Nash, Peninsula Silicon Valley Chapter
TBA, Chair Recommended

Appointment to Council for Approval

Council Members at Large, a two-year term for 2020-22:
Jamie L. Baker, Sacramento Chapter
Michael J. Farrell, Channel Counties Chapter
Christian D. Tregillis, Los Angeles Chapter

AICPA Council nominees submitted to the AICPA for consideration to serve a three-year term (May 2022-May 2025):
Tayiika M. Dennis, Los Angeles Chapter
Laura L. Ross, San Francisco Chapter
Lewis E. Sharpstone, Los Angeles Chapter
Charlotte D. Wall, San Francisco Chapter

AICPA Council member designee (one-year term, May 2021-22; designee of immediate Past Chair Jolene Fraser):
Mike A. Ray, San Francisco Chapter

AICPA Council member designee (one-year term, May 2022-2023; designee of incoming Chair Christie Simons):
TBA, Appointment by Chair
Chapter Representatives

The following CalCPA members have been elected by their chapters as representatives, from that chapter to CalCPA Council. Chapter representatives on CalCPA Council may serve either a one-, or a two-year term. Terms are effective from, and end upon, CalCPA’s Annual Meeting. Numbers in brackets after chapter names indicate the total number of chapter representatives to CalCPA Council, based on chapter membership. State committee chairs are appointed by the CalCPA chair, and section chairs are re-elected by section.

BAKERSFIELD CHAPTER [2]
Richard C.P. Moore 2021-22 1st year of 1-year term
Valerie V. Adams 2021-22 1st year of 1-year term

CENTRAL COAST CHAPTER [2]
Debra A.G. Wacker 2020-22 2nd year of 2-year term
TBD 2021-23 1st year of 2-year term

CHANNEL COUNTIES CHAPTER [2]
Melinda Hallinan 2020-22 2nd year of 2-year term
Devin Witt 2021-23 1st year of 2-year term

EAST BAY CHAPTER [4]
Kimberly S. Blank 2021-22 1st year of 1-year term
Brandon Carpenter 2021-22 1st year of 1-year term
Jennifer A. Bogart 2021-22 1st year of 1-year term
Antonio Ramirez 2021-22 1st year of 1-year term

FRESNO CHAPTER [2]
Matthew A. Mastro 2020-22 2nd year of 2-year term
Caroleen D. Wiens 2021-23 1st year of 2-year term

INLAND EMPIRE CHAPTER [2]
Katie Vander Veen 2020-22 2nd year of 2-year term
Dalton R. Sweaney 2021-23 1st year of 2-year term

LOS ANGELES CHAPTER [9]
Gina L. DeRosa 2020-22 2nd year of 2-year term
Mike C. Chen 2020-22 2nd year of 2-year term
Martin L. Sniesiak 2020-22 2nd year of 2-year term
Keith Hamasaki 2020-22 2nd year of 2-year term
Jeremy L. Dillard 2020-22 2nd year of 2-year term
Carrie T. Hilding 2020-22 2nd year of 2-year term
Mark H. Fowler 2021-23 1st year of 2-year term
Richard Giedlin 2021-23 1st year of 2-year term
Robert S. Selzter 2021-23 1st year of 2-year term

ORANGE COUNTY/LONG BEACH [3]
John Chadwick 2020-22 2nd year of 2-year term
Tracy M. Pohlen 2020-22 2nd year of 2-year term
Freshtia Ali 2022-23 2nd year of 2-year term
April A. Shanbeck 2021-23 1st year of 2-year term
John M. Misuraca 2021-23 1st year of 2-year term

PENINSULA SILICON VALLEY CHAPTER [3]
Christina Yee 2021-22 1st year of 1-year term
Gopal S. Ghising 2021-22 1st year of 1-year term
Nathan Edelman 2021-23 1st year of 1-year term

SACRAMENTO CHAPTER [3]
Joseph N. Valentine 2020-22 2nd year of 2-year term
Michael G. Polis 2021-23 1st year of 2-year term
Erica K. Pastor 2021-22 1st year of 1-year term

SAN DIEGO CHAPTER [4]
William H. King, V 2021-23 1st year of 1-year term
Erik Dauber 2021-23 1st year of 1-year term
Teresa M. Reed 2021-22 1st year of 1-year term
Rebecca M. Tilghman 2021-22 1st year of 1-year term

SAN FRANCISCO CHAPTER [4]
Rene M. Bravo 2020-22 2nd year of 2-year term
Yvonne Yang 2020-22 2nd year of 2-year term
Jenny Ng 2021-23 1st year of 2-year term
Celia Lau 2021-23 1st year of 2-year term

SAN JOAQUIN CHAPTER [2]
Christopher L. Barnes 2021-22 1st year of 1-year term
Jamee Bollinger 2021-22 1st year of 1-year term

SILICON VALLEY SAN JOSE CHAPTER [4]
Michael A. Fuji 2021-22 1st year of 1-year term
Alex Ho 2021-22 1st year of 1-year term
Ruoyu Loughry 2021-22 1st year of 1-year term
Gerald Nangoy 2021-22 1st year of 1-year term

Voting member of Council for 2020-22 (2-year term) by virtue of serving as a state committee chair:
Accounting Education Charles T. Osaki (voting-chair)
Accounting Education David Wu (non-voting co-chair)
Bylaws Gregory M. Burke
Estate Planning William H. Downs
Governmental Accounting & Auditing Jennifer L. Farr
Government Relations Robert A. Reynolds
Management of an Accounting Practice David A. Duben
Personal Financial Planning Lynette E. Atchley
Professional Conduct Annette M. Stalker
Public Service Award Chrislynn Freed
Taxation John P. Schultz
Young and Emerging Professionals Antonio Ramirez

Voting member of Council for 2020-22 (2-year term) by virtue of serving as a section chair:
Forensic Services Section Evan Kilbourne

Voting member of Council for 2020-22 (2-year term) by virtue of serving as Commission chair:
Diversity, Equity & Inclusion Commission Kathy A. Johnson

Respectfully Submitted:
2020-21 Nominations Committee:
Kathy A. Johnson, Chair
Lewis E. Sharpstone, Vice Chair
Jana P. Joke, Bakersfield
Keith B. Cramer, Central Coast
Brian E. Carlson, Channel Counties
Rob M. Goldstein, East Bay
Norman Wong, Fresno
Dalton R. Sweaney, Inland Empire
Gina L. DeRosa, Los Angeles
Michael J. Baird, Peninsula Silicon Valley
Pamela F. White, Sacramento
Rebecca M. Tilghman, San Diego
David A. Grisham, San Francisco
Ashley L. Casey, San Joaquin
Gerald Nangoy, Silicon Valley/San Jose

Members at Large:
Rene M. Bravo, San Francisco (19-21)
Kristen N. Contreras, East Bay (20-22)
Scott J. Donnelly, Los Angeles (20-22)
Christopher J. Murray, San Diego (19-21)
Kathy J. Scroggs, Channel Counties (19-21)
Officer Candidates

Chair
Christie Simons
Partner
Deloitte
San Francisco Chapter

*Current*: CalCPA Board of Directors, CalCPA Council.

*Past*: CalCPA Board of Directors, First Vice Chair; CalCPA Accounting Education Committee.

First Vice Chair
Tayiika M. Dennis
Principal
CliftonLarsonAllen
Los Angeles Chapter

*Current*: CalCPA Board of Directors, Secretary/Treasurer; CalCPA Council; CalCPA Finance Committee Chair; CalCPA Investment Committee Chair.

*Past*: CalCPA Board of Directors Appointed Member; CalCPA Board of Directors; CalCPA Council; CalCPA Los Angeles Chapter, President/Vice President/Treasurer; CalCPA Los Angeles Chapter Nonprofit Committee Chair; CalCPA Los Angeles Chapter Young & Emerging CPAs; CalCPA Los Angeles Chapter Scholarship Committee; CalCPA Los Angeles Chapter, Nominations Committee; CalCPA Not-for-Profit Organizations Conference Planning Committee; CalCPA Leadership Institute; CalCPA Women to Watch Award Recipient.

Secretary/Treasurer
Meredith A. Johnson
Director
BPM LLP
San Francisco Chapter

*Current*: CalCPA Board of Directors, CalCPA Council, Public Service Award Committee, Women’s Leadership Forum Planning Committee.

*Past*: CalCPA Board of Directors; San Francisco Chapter Leadership; Members Insurance and Benefits State Committee; Public Service Award Committee; San Francisco YEP Committee; San Francisco Chapter, Nominations Committee; San Francisco Chapter, Nominations Committee; San Francisco Chapter, CalCPA Leadership Institute.

Vice Chair
Jillian N. Phan
Partner
Meloni Hribal Tratner LLP
Los Angeles Chapter

*Current*: Accounting Principles & Auditing Standards State Committee, CalCPA Board of Directors, Management of an Accounting Practice State Committee.

*Past*: CalCPA Los Angeles Chapter Leadership; CalCPA Council; Financial Literacy State Committee; Management of an Accounting Practice State Committee; Membership State Committee; Nominations State Committee; CalCPA Los Angeles Chapter, President/Vice President/Secretary; CalCPA Los Angeles Chapter, Scholarship Committee; CalCPA Los Angeles Chapter, Nomination Committee.

Vice Chair
Mike A. Ray
Director, EVP, CFO and Treasurer
California Casualty Management Co.
San Francisco Chapter

*Past*: CalCPA San Francisco Chapter Leadership, CalCPA Council, CalCPA Board of Directors, Nominations State Committee.
CalCPA offers virtual courses, discussions, networking sessions and more, all around the state. Take advantage of events in your own chapter, or consider attending an event in a neighboring chapter. Where will you be seen?

**FEATURED EVENTS**

**May 26** (4:30–6 p.m.)
Silicon Valley San Jose Chapter
**SVSJ Attorneys, Bankers & CPAs (ABC) Virtual Springfest**
Attorneys, Bankers, and CPAs—This one is for you! We know how important it is to grow your network and our virtual spring networking event is just the place to do it. We provide the virtual Happy Hour and the opportunity to meet up in small break-out groups, just like you would in a traditional networking setting. Catch up with your peers, make new contacts and be ready for an enjoyable evening!

**May 27** (12–12:45 p.m.)
Sacramento Chapter
**SC The Midday Break** presented by Sacramento YEPs
Enjoy a midday break by taking part in this peer-to-peer exchange. You’ll enjoy discussions on the work world, life hacks, technology and other favorite topics. Just bring your lunch and your enthusiasm.

Keep checking [calcpa.org/chapterevents](http://calcpa.org/chapterevents) for all of our virtual chapter events.
Advertising and Sponsorship Opportunities

Grab the attention of California’s finest CPAs and financial professionals!

- **California CPA (print and digital):** Read regularly by 90% of our members, *California CPA* is the only professional news magazine published for financial professionals and CPAs in the state.

- **CalCPA.org Website:** CalCPA.org is full of news, links and information CPAs need and want!

- **Dedicated Emails and Sponsored Content:** Grab the attention of CPAs and distribute your thought leadership content to California’s leading accounting and finance professionals and decision-makers.

- **E-Newsletter Advertising:** Aimed at specific interest groups you’ll want to reach!

- **Virtual Event Sponsorships:** Support a CalCPA conference, webcast or chapter event to position your brand and engage with highly qualified registrants — or create your own event with us with your targeted content.

- **CalCPA Knowledge Hub:** CalCPA’s new Knowledge Hub syndicates content to a highly-engaged audience who become the source of high-quality, intent-based, 100% exclusive leads.

- **CalCPA Custom Media Solutions:** From video vignettes to virtual roundtables and executive interviews, we’ll help you build a custom media platform to generate quality leads, increase revenue, and bring visibility to your brand story.

- **CPA Job Board:** The ultimate resource to find your next hire.

Email us at advertising@calcpa.org or visit calcpa.org/advertise for more information.

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Whether it’s networking with peers at chapter events or sharing best practices and ideas on CalCPA Connect, we make it easy for you to gain insight from other accounting and finance experts.

Our timely newsletters, free member webcasts and government relations updates help you ride the wakes of ever-changing rules and regulations.

When you need it, we offer quality education on topics that help you go with the flow.

**We are CalCPA and we are always here to help you navigate a prosperous career.**

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**Lake Tahoe** is over 2 million years old and is counted among the 20 oldest lakes in the world. At the surface, Lake Tahoe’s water temperature varies from 41 to 68 degrees F. Below a depth of 600 to 700 ft, the water remains a constant 39 degrees.