

THE GLOBAL FILIPINO ACCOUNTANT

Monthly e-newsletter of PICPA International

March 2011

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MESSAGE FROM THE PRESIDENT

Greetings, fellow PICPA International members and friends. In keeping in step with the digital 21st century, we are providing you an electronic billboard for anything that you need for your professional development, for fellowship with fellow Filipino accountants and for advancing the interests of the Filipino accounting profession. Feel free to email us your thoughts on things professional and even personal. We'll do our best to harness the collective competence and strength of your fellow members to come up with solutions to your problems, as well as make this newsletter a venue for your views on issues that are of utmost importance to you.



In this issue, you will find relevant details on the forthcoming 4th PICPA Global Convention in Vancouver, Canada, such as the venue, the program of activities and the speakers. We endeavored to make the convention as successful and enjoyable as possible, and keeping you in the loop is part of that effort.

This maiden issue will shed light on tax issues, due to the fact that we are in the midst of the tax season. Angel Dayan's article on Uncertain Tax Positions will give you a better understanding of "tax discretion". The knowledge to be gained will not only be useful to tax practitioners among our members, but also very important to everyone else who renders accounting, audit and consulting services to both internal and external clients.

The digital 21st century has unleashed a wave of cyber crimes such as credit card fraud. We hope that Ralph Villanueva's article on this topic will give you simple tools on protecting yourself from cyber thieves.

We have a section on IRS, GAAP, IFRS and other updates, as well as information on professional career opportunities. The recession has adversely impacted on some of us professionally. We hope that more knowledge about developments in your field of expertise, as well as opportunities to do quality work in those same lines of expertise will greatly benefit some of our fellow members as they seek to climb out of the worst economic recession in recent memory.

We hope you'll enjoy reading the March, 2011 issue of "The Filipino Global Accountant", the monthly e-newsletter of PICPA INTERNATIONAL. Mabuhay ang PICPA at Mabuhay ang Filipino Global Accountant!

Roland Ditan, President

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Vancouver Fast Facts

4th best city in the world for quality of life *

10th cleanest city in the world *

40% of the population is foreign born **

11% of immigrants are from the Philippines **

36% of immigrants are from China, including Hong Kong **

Home of the largest Chinatown in Canada

Known as “Hollywood North” because it is a major film and television production center

Famous actors Pamela Anderson and Seth Rogen are from Vancouver

Homegrown musical artists include Bryan Adams and Michael Buble

Same sex marriages are legal in the city and the rest of British Columbia province

* 2010 Mercer Quality of Living Survey

** 2006 Canadian census

4th PICPA GLOBAL CONVENTION UPDATES



In less than three months, vivacious Vancouver will captivate the hearts and minds of attendees of the 4th PICPA Global Convention on May 23-28, 2011. The Marriott Hotel Downtown Vancouver will be the epicenter of this epic celebration. It is centrally located within the city, and is a few minutes away from major attractions such as Granville Island, Stanley Park and the historic Gas Town District.

In line with the theme “Threading New Grounds in the Accounting Profession”, speakers include NASBA Chairman William Treacy who will discuss the status of the MRA on CPA reciprocity between the Philippines and the US, Loretta Doon of the AICPA who will talk about the proposed AICPA exams in the Philippines, Atty. Cres Palpagan of PICPA National Office who will talk about changes in the CPA Code of Professional Ethics and IFAC Deputy President Warren Allen as luncheon speaker on May 27, 2011. The semi-final technical program is listed on the next page.

The following are some of the committee chairpersons who, along with the other officers and organizers, are doing their best to make your Vancouver convention a truly enjoyable and memorable one:

- Hotel and Accommodation - Marissa Velarde (Canada), Lorenz Tato (Philippines), Roland Ditan (US), Rey Bejerano (US) and Rey Padilla (US)
- Registration – Peth Yaco (Canada)
- Reception – Gloria Abaga (Canada)
- Sports and Tours – Bert Parungao (US)

If you have any questions, please send your email to Marissa Velarde (marissavelarde@hotmail.com), Joy Dereh (jldereh@yahoo.ca) or Roland Ditan (rditanpicpainternational@yahoo.com)

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4th PICPA Global Convention Technical Program

<u>Speaker</u>	<u>Title</u>	<u>Topic</u>	<u>Role</u>
Friday, May 27, 2011			
Representative from Vancouver, BC, Canada	Mayor	Welcome Address	Welcome Address
US-IQAB/NASBA-William Treacy, Chairman	Chairman	MRA between Phil & US-IQAB	Keynote Speaker-Opening Plenary
PRC/Phil. Board Of Accountancy, Rufo Mendoza	Board Member	MRA between Phil & US-IQAB	Panelist
PICPA Philippines, Jose F. Cabalum, Jr.	National President	MRA/WTO/GATS	Panelist
PICPA Philippines, PP Andres R. Cabuyadao	Chair, International Affairs	MRA/WTO/GATS	Panelist
PICPA Phil.-GARCA Chair, Lorenz Tato	Chairman	MRA/WTO/GATS	Panelist
Canadian IQAB-ICAO/CICA, Tom Warner	Executive Director	Canadian IQAB Updates	Panelist
AICPA/International Outreach-Loretta Doon	AICPA Liaison	Proposed AICPA Exam in Phil	Speaker/Panelist
AICPA/Global Accounting Alliance (GAA)Loretta Doon	GAA Liaison	Requirement for PICPA membership with GAA	Speaker/Panelist
International Federation of Accountants (IFAC) Warren Allen	Deputy President	The importance of global standards in auditing, ethics, education and public sector accounting	Luncheon Speaker
PICPA Philippines	National President	Phil. Updates MRA/WTO/GATS	Luncheon Speaker
Philippine Consulate Office, Melanie Diano	Vice Consul	Benefits of Dual Citizenship	Speaker
CGA-British Columbia, Sue Wazny	CGA	Beyond the deer in headlights: Counter intuitive strategies for dealing with difficult situations	Speaker
Renee Wood	Registered Nurse	Healthy by Choice, not by Chance	Speaker
Ernst and Young, Greg Noble	Practitioner	Transfer pricing	Speaker
Mark Daubermann, CPA Lecturer	CPA lecturer	Accounting/Auditing	Speaker
Saturday, May 28, 2011			
Susan Sorensen, CPA, PhD	Technical Lecturer	International Accounting Updates	Speaker
Ralph Villanueva	Technical Speaker	Auditing/Fraud Examination	Speaker
Dr. Rufo Mendoza, Member Phil. Board of Accountancy	Government Lecturer	Updates in renewing CPA Licenses in Philippines	Speaker
Atty. Cres Palpagan, PICPA National Phil.	PICPA By-Laws Speaker	Proposed Changes in Code of Professional Ethics	Speaker
Alfredo J. Non, CPA, Former Partner, SGV & Co.	Job Opportunities	Outsourcing Filipino CPAs & Accounting Professionals from the Philippines	Speaker

Note: The above-mentioned program is not final and is subject to change without prior notice

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PICPA International Chapters and Presidents

Marissa Velarde
Vancouver

Rusty Bernardo
San Francisco

Ching Catignas
Los Angeles

Angel Dayan
Orange County

Yolanda Coronel
San Diego

Joey Kimpo
Silicon Valley

Marlyn Aguilar
Ventura County

Rey Bejerano
East Los Angeles

Jessie Fernandez
New York, New
Jersey and
Connecticut

PICPA INTERNATIONAL CHAPTER NEWS

PICPA-Kuwait is newest international chapter

PICPA-Kuwait became the latest addition to the international and Middle East chapters of PICPA on January 26, 2011. The chapter has 21 founding members under the leadership of Gil Bantugan as President and the following Vice Presidents: Ramil Candano (Membership), Roy Canania (Sports, Socials and Community Relations) and Nestor Matondo (Professional Development). This newest chapter aims to:

- Enhance the professional development of members through seminars, conferences and other educational programs,
- Create and develop strong and vibrant personal relationship between and among the members and their families, and
- Organize and/or participate in local and national events that would create an image for PICPA as a valuable integral part of the Filipino community in Kuwait.

To date, Abu Dhabi, Qatar and Dubai are the other Middle Eastern chapters.

Busy 2010 for PICPA-Los Angeles

PICPA-Los Angeles boasts of a lot of accomplishments for the year 2010, and aims to at least equal this in 2011. Among this chapter's achievements are:

- Managed a booth at the Los Angeles Convention Center during the Philippine Expo
- Raised funds for a church through Hula group performance
- Generated funds for miscellaneous projects during Christmas 2010 fund-raiser drive

The chapter has lined up activities to attract more Filipino CPAs to its membership rolls such as featuring speakers on relevant topics from the IRS and the Franchise Tax Board, Board of Accountancy and Philippine Consulate during its quarterly meetings. Plans are also underway to come up with membership ID cards. This is a great way of showcasing the importance and prestige of being a PICPA member. The chapter is headed by Ching Catignas as President, Anamae Corrales as Executive Vice President and the following Vice Presidents: Jovita Quibal (Operations/Meetings), King Disimulacion (Membership and Professional Development) and Javelino Antonio (Finance/Ways and Means).

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PICPA International Chapters and Presidents (Continued)

Rose Dones
Las Vegas

Elly Gumera
Florida

Bryan Erwin Tenorio
Maryland Tri State
Chapter (including
Washington DC and
Virginia)

Ditas Magno
North Carolina

Mylene Milan
Abu Dhabi

Don Ocfemia
Qatar

Gil Bantugan
Kuwait

Dexter Destajo
Dubai

Annabella Sales
Brunei

Levito Aniban
Italy

Mila Papas
Sydney

Big 2011 Plans for Host PICPA Vancouver Chapter

Other than the 4th PICPA Global Convention in their turf, PICPA Vancouver has equally big plans for its members for 2011. According to chapter president Joy Dereh, the following are a few of its planned activities for its members:

- Pistahan to coincide with the annual Philippine independence day celebration in June and in collaboration with the Philippine consulate
- Professional development seminars in the first week of July and October
- Summer outing for members and their families in August
- Sports event in September
- Dinner and dance affair in October
- Annual election of officers in November
- Christmas party in December

The October dinner and dance affair is the most anticipated social event for PICPA Vancouver Canada Association members. This event is a fun and relaxing event, where everyone flaunts their party outfit and dances the night away, while at the same time raising funds for the chapter's activities. Last year's affair enabled the chapter to sell more than 300 "50-50" raffle tickets, wherein half of the ticket sales goes to the chapter's coffers and the other half to the winning ticket holder.

The PICPA Vancouver chapter was officially endorsed and approved under the leadership of founding President Marissa Velarde in March 2003 with an initial membership of 10 members. As of this year, the chapter has about a hundred active members. The chapter is headed by President Joy Dereh and Vice Presidents Elsie Edillor (Professional Development) and Dan Roxas (Membership).

MARCH BIRTHDAY CELEBRANTS

- March 7 – Dan Roxas (Vancouver)
- March 21 – Rommel Santos (Vancouver)
- March 26 – Gloria Abaga (Vancouver)

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PICPA International Executive Committee

Roland Ditan
President and
Chairman

Romulo de Guzman
Executive VP –
Internal

Jessie Fernandez
Executive VP –
External

Rey Bejerano
Secretary General

Silicon Valley and San Francisco Chapters Hosts Dual Citizenship Seminar

The Silicon Valley chapter, under President Joey Kimpo, and San Francisco chapter, under President Rusty Bernardo, conducted a successful Dual Citizenship seminar for Filipino-American citizens in San Jose, California on October 31, 2010. Four Philippine consular officials assisted in completing the processing of documents on the same day. This was followed by a mass oath taking ceremony in the afternoon and was conducted by Wilfredo C. Santos, Philippine Deputy Consul General for San Francisco.

Due to insistent public demand, the two chapters will organize a similar event towards the end of this year. The officers and members of the two chapters would like to thank Aileen, bank manager of PNB San Jose and fellow Silicon Valley chapter member, for providing the venue for the oath taking.

Dual citizenship is a process wherein a natural-born Filipino and his/her dependents who are currently a citizen of another country may reacquire their original Filipino citizenship. This is very useful for Filipino-Americans who wish to own properties and businesses in the Philippines.

PICPA Silicon Valley is led by chapter President Joey Kimpo and chapter Vice Presidents Cristina Torio (Finance and CFO), Francisco Diaz (Professional Development and Research), and Al Ocampo III (Membership Development).

About Silicon Valley

Silicon Valley is in the southern part of the San Francisco Bay area in Northern California in the United States. It is home to many of the top technology companies in the world, including Facebook, Apple, Google, eBay, Yahoo, Adobe, Intel, Symantec, Hewlett-Packard, Intuit and Oracle. Geographically, Silicon Valley encompasses all of the Santa Clara Valley including the city of San Jose, the southern peninsula and the southern East Bay areas. San Jose is considered as the capital of Silicon Valley.

The term Silicon Valley comes from Silicon, which is a key ingredient in semiconductors. The semiconductor and computer companies were the dominant industries in the valley when the term was coined in 1971.

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IRS Tax Timetable

Individuals

Form 1040 – due on the 15th day of the 4th month after the end of your tax year

Estimated tax payments (Form 1040 ES) – Payments are due on the 15th day of the 4th, 6th and 9th month of your tax year and on the 15th day of the 1st month after your tax year ends

Partnerships

Form 1065 – This form is due on the 15th day of the 4th month after the end of the partnership's tax year. Provide each partner with a copy of Schedule K-1 (Form 1065) or a substitute Schedule K-1

Form 1065-B (electing large partnerships) – This form is due on the 15th day of the 4th month after the end of the partnership's tax year. Provide each partner with a copy of the Schedule K-1 (Form 1065-B) or a substitute Schedule K-1 by the first March 15 following the close of the partnership's tax year.

UNCERTAIN TAX POSITIONS

Angel Y. Dayan, EA, CPA, ABA, ATA



What this means is, the taxpayer had taken a calculated "position" (tax discretion) on tax return information such as on a deduction, an expense, or an exclusion that may or may not be allowed by the Internal Revenue Service. In their discretion, the accountant, tax consultant or tax lawyer is not quite sure if such a position will ever get sustained. The taxpayer was never sure in the first place after all and no one knows exactly what the IRS would do or what the courts eventually would allow as tax reduction if the issue is ever litigated. But a decision just needs to be made now in order to file the tax return and/or compute/pay the tax on a transaction that on its pure "form" may even lack "economic substance." Under its specific rule, an "uncertain tax position" needs to be disclosed in a "concise mea culpa" to the IRS using a new Schedule-UTP or else penalties will be assessed against both the taxpayer and the tax accountant. Short of a clear and unequivocal disclosure will be deemed unacceptable, even if such a disclosure would evidently become the starting point of an IRS audit or risk investigation.

The IRS in its tolerance has repeatedly stressed it will exercise a policy of restraint (no examination) from what it received/accepted as "uncertain tax positions" from contending taxpayers, particularly from the big corporate giants with an asset base value of at least over \$50 million to \$100 million dollars. I am not aware if a similar "IRS policy of restraint" is available to a "mom and pop" small businesses or to individual taxpayers like the most of us. When a tax position has been taken, it has to be reflected in the accounting records and the business is expected to set up a "reserve for tax liability" account. This could affect the corporate solvency ratio of a business going concern that could restrain potential equity investments. Simply put, it is a matter of re-stating Balance Sheet account liability exposure in the financial statements under the rules of GAAP (Generally Accepted Accounting Principles) or the FIN-48 standards but there is really more to it.

My suspicious mind has been curious as to why do we even entertain this manner of tax reporting and what has brought it to bear. I believe it just creates more doubt in financial statement information reporting integrity from what the standard reports already encounter these days; being battered with more management frauds, executive corruption, standards overload and external auditor's CPA certified audit report manipulations. Why add some more confusion to the environment such as a questionable "tax position"?

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IRS Tax Timetable

Corporations

Form 1120 and Form 1120S (or from 7004) – These forms are due on the 15th day of the 3rd month after the end of the corporation's tax year. S corporations must provide each shareholder with a copy of Schedule K-1 (Form 1120S) or a substitute Schedule K-1.

Estimated tax payments – payments are due on the 15th day of the 4th, 6th, 9th and 12th months of the corporation's tax year.

Form 2553 – This form is used to choose S corporation treatment. It is due no more than 2 months and 15 days after the beginning of the tax year the election is to take effect or at any time during the preceding year.

Source: Publication 509 from the IRS website www.irs.gov/publications/p509

Why should an “uncertain tax position” be a chosen discretion if clear conclusions could readily be drawn from available civil statutes and authorities? Case laws (aka-common law) obviously have dirtied or diluted the initial/intended clarity and meaning of our civil laws. No matter what caused this tax procedure to evolve as the norm, with the way IRS wants to conduct business, I find this tax system of reporting “uncertain tax position” a bit intriguing.

I recall the “rule of conservatism” in accounting, which is “to provide for all losses, but never to anticipate any profit.” This disclosure procedure comes close to this requirement but provides a “profit” (risked tax savings). Could this timeless rule very well be the reason behind the required disclosure for “uncertain tax positions”? Or has the IRS built a snare in this instance as currently it is in an experimental discovery process while getting ready to review “tax shelter loopholes,” (patented strategies) that really are in my view legalized “uncertain tax positions”?

And by the way, if a tax position has been determined to be “uncertain for disclosure” at the corporate level did that mean in essence it has failed to meet the “substantial authority standard” or even the “more likely than not” standard tests on their merits? Will it also need a disclosure Form-8275, or 8275R for individuals to avoid the penalty at the shareholder's pass-through level?

There is a five (5) year time period that phases in the corporate businesses into compliance with this disclosure requirement but I am not quite sure if the IRS “policy of restraint” would continue during that time period. Why does it require a “concise disclosure” if it will not have any sensible audit purpose at all? I am doubly positive it will become a targeted source of government revenue someday in the not so distant future.

Watch out. We are living in perilous times.

(Angel Y. Dayan, EA, CPA, ABA, ATA is a Tax Problems Resolution Specialist California Enrolled Agent, and a CPA in Texas. He has a Masters Course in Tax Representation and is a Graduate Fellow in Advanced Tax Practice and Procedures. He has complete accreditations in Business Accountancy, and Tax Advisory. He could be reached at (213)-365-1040 for an appointment. You could visit his website at www.taxquestion.us. This article was printed in his weekly tax column at Philippine-American Mabuhay News in California and distributed as Client Care News.)

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Online sources of information on protecting yourself from fraud

FBI or Federal Bureau of Investigation

www.fbi.gov/scams-safety/fraud

ACFE or Association of Certified Fraud Examiners

www.acfe.org

Department of Justice

www.justice.gov/criminal/fraud

Federal Trade Commission

www.ftc.gov/bcp/edu/microsites/idtheft/

Javelin Strategy and Research

www.javelinstrategy.com

Medicare

www.stopmedicarefraud.gov

Financial Crimes Enforcement Network

www.fincen.gov

INTERPOL

www.interpol.int

California Department of Insurance

www.insurance.ca.gov

Credit Card Fraud 101: Basics of protecting yourself

Ralph Villanueva MBA CIA CFE

A few weeks ago, I became a member of the largest membership club in the US. Along with 8 million Americans who were victimized to the tune of US\$34 billion*, I became a victim of identity fraud. Someone impersonated my identity and fraudulently charged \$700 worth of purchases to my credit card. Thankfully, the charges were revoked by the card issuer, although they cancelled my card and sent a new one a week later. While the experience left me shaken in disbelief, I learned a few lessons on protecting yourself which I'm happy to share with you:



1. Opt for fraud notification features in your online credit card profile

My first hint that I was a victim was a call from the customer service department of two unusual purchases at almost the same time in different states. I checked my email and lo and behold, the bank sent a message verifying the authenticity of the transaction. Good thing I have activated the fraud notification features (such as fraud alerts) in my credit card profile.

2. Check your online credit card statement regularly

Fraud alerts may miss other fraudulent transactions. Hence, as the adage "Vigilance is the eternal price of freedom" goes, vigilance is the eternal price of peace of mind and safety of your money. Hence, regularly check your online credit card statement and activity more than once a month for anything unusual. Matching your receipts to transactions posted to your account is equally important.

3. Use only secure computers and networks when paying online

Digital identity thieves are good in sneaking malicious software or malware that can capture your credit card information while you make an online financial transaction. One of the best places to do this is in unsecured public wi-fi networks, as well as places with computers for public use such as libraries. Hence, never use a computer in a public library, and avoid using the wireless wi-fi in the airport or the local Starbucks for online financial transactions. Their networks may not be secure, or there might be cyber criminals on a war-driving spree (snooping in on unsecured wi-fi to steal your credit card information).

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The Global Filipino Accountant Editorial Team

Ralph Villanueva
(Las Vegas)
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(Orange County)
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(San Francisco)
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(New York)
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Co-editor and IT Officer

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The views and opinions of article contributors are solely their own, and are not in any way the views and opinions of the entire editorial team and PICPA International.

For questions, article contributions and clarifications, please email the editor-in-chief rvsvillanueva@yahoo.com

4. Update your computer or computer network's anti-virus software

The new arms race is between the anti-virus companies and the cyber thieves. The cyber criminals always tries to find a new way of breaching your digital firewall, while the anti-virus companies always tries to find new ways of keeping them out. The latter's efforts end up as updates to your anti-virus software. Hence, it's best to always update your anti-virus software.

5. Use your credit card only in reputable business establishments

Reputable businesses are more likely to be compliant with PCI security standards (PCI stands for Payment Card Industry). Among other rules, this standard requires merchants not to store the full 16-digit credit card numbers in the credit card machines, as well as not to print the entire 16 digits on your receipt. Still, there are certain reputable merchants in other countries who are not PCI-compliant. Two years ago, I paid \$300 for two pairs of eyeglasses in an upscale optical shop in the business district of Makati, Philippines. I was shocked to see that my entire credit card details (number, expiry date and my name) were printed on mine and the merchant's copy of the credit card receipt.

6. Keep your credit card safe and secure

In the digital age, physical security is still necessary. Keep your credit cards with you, or store it in a safe and secure location if you don't need it for the day. Better yet, cancel and destroy all unnecessary credit cards.

7. Secure or destroy unnecessary documents with your credit card information

If you're a typical accounting and audit professional like me, you probably maintain copies of power bills, insurance statements and other financial transaction documents with your credit card details written or attached for future reference. These are potential goldmines for identity thieves, so keep them locked in secure storage if you need them in the future. If not, then it's best to shred them. An investment in a cheap \$7 paper shredder can go a long way in protecting you from a costly \$700 fraudulent charge.

* Per Javelin Strategy and Research report on identity fraud for 2010

(Ralph Villanueva is an MBA graduate and a Certified Public Accountant (Philippines), Certified Internal Auditor and Certified Fraud Examiner with over 20 years' accounting, audit, fraud examination and financial management experience. He is currently into public speaking, and his latest project is how to be funny with accounting, audit, fraud examination and financial management concepts. Hence, this article is to be read with an unhealthy dose of doubt and taken with a huge grain of salt).

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PICPAN OF THE MONTH

MARISSA VELARDE (Vancouver)

ABOUT THE CERTIFIED GENERAL ACCOUNTANT (CGA) CERTIFICATION AND CGA-CANADA

The CGA is the fastest growing professional accounting designation in Canada. The CGA designation focuses on integrity, ethics and the highest education requirements. Recognized as Canada's accounting business leaders, CGAs provide strategic counsel, financial leadership and overall direction to all sectors of the Canadian economy.

CGA-Canada was founded in Montreal in 1908 under the leadership of John Leslie, Vice President of the Canadian Pacific Railway. From the beginning, its objective was to encourage improvement in skills and job performance – a goal the Association holds to this day.

On April 14, 1913, Canada's parliament passed the act that incorporated CGA-Canada as a self-regulating professional association (from CGA-Canada website).

PICPA International is proud to feature Marissa as PICPAN for the month of March 2011. A habitual achiever, she is a Certified General Accountant (CGA) in Canada who was able to help her employers and clients fully realize their growth and profit potential. The following are some of her noteworthy professional achievements:



Fresh Tracks Canada

Set up new system and procedures to properly account for the trust assets and liabilities.

Chromos Molecular System

Was able to step in right away and prepare the conversion from ACCPAC to QuickBooks. Finish 1 week earlier than the time budgeted.

NIHO Land and Cattle

Formulated and implemented a plan to increase cash flow efficiency, saved the company money by bringing down mortgage payable of 5M to 2.5 M within 5 years, enhanced collection efficiency to 90% within 60 days, and set up a system to account for R & D expenses, which increased both R&D refund and cash flow.

She was also the founding President of PICPA Vancouver chapter, and was able to help a lot of fellow Filipino accountants by achieving the following:

- Able to organize the association in a month time through the help of friends and the Internet. Only knows 5 CPA's when the project was started.
- New immigrant CPA's now have a very good networking tool for employment.
- Ongoing seminars given to new immigrants, which provide in depth information for upgrading, their skills, employment and net working.
- Referrals and Reference Provider
- Issuance of Certificate in Good Standing from PICPA as a requirement by CGA, CMA & CA, instead of being requested from PICPA, Manila, Philippines.

Marissa hails from Libmanan, Camarines Sur. She is the 3rd of 6 children of parents, both public school teachers. A consistent achiever since her elementary and high school years, she graduated in the top 25% of her class from the University of Nueva Caceres in Bicol, and is a Certified Public Accountant in the Philippines. She became a CGA in 2005.

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IRS Launches the IRS2Go App for iPhone, Android; Taxpayers Can Check Refunds, Get Tax Information

From the IRS website, Jan. 24, 2011

WASHINGTON — The Internal Revenue Service today unveiled IRS2Go, its first smartphone application that lets taxpayers check on their status of their tax refund and obtain helpful tax information.

"This new smart phone app reflects our commitment to modernizing the agency and engaging taxpayers where they want when they want it," said IRS Commissioner Doug Shulman. "As technology evolves and younger taxpayers get their information in new ways, we will keep innovating to make it easy for all taxpayers to access helpful information." The IRS2Go phone app gives people a convenient way of checking on their federal refund. It also gives people a quick way of obtaining easy-to-understand tax tips. Apple users can download the free IRS2Go application by visiting the Apple App Store. Android users can visit the Android Marketplace to download the free IRS2Go app.

Accountants, Small Businesses Finally See Growth

From Accounting Today, Feb. 23, 2011

Accounting professionals and small businesses are poised for progress as long as they continue to invest in new technologies, marketing and advertising, and face-to-face time with clients, according to a new survey.

The survey, by Intuit, asked accounting professionals and entrepreneurs about the challenges they face in growing their businesses, maintaining the accountant-client relationship and remaining competitive in the marketplace. The findings also include a snapshot of both groups' economic outlook and their thoughts on the use of new technologies, online applications and engaging with customers.

In a considerable showing of resilience, 65 percent of accounting professionals and 54 percent of small business owners said their companies grew in the last 12 months. Despite this growth, however, 75 percent of the accounting professionals and 80 percent of the small business owners surveyed rate today's economic climate as "just fair" or "poor."

Both groups expressed optimism for the future, with 94 percent of accounting professionals and 87 percent of small business owners seeing opportunities to grow their businesses in today's economy.

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Study IDs Common Themes in IFRS Adoption Errors

Compliance Week, Feb. 15, 2011

What could go wrong as a company prepares to shift its entire system of accounting from a national rule book to International Financial Reporting Standards? Plenty, according to a [recent academic study](#) of Australia's switch from national rules to IFRS in 2005.

Four accounting professors noted there has been a great deal of study about the adoption of IFRS, but precious little about what factors might lead to trouble with an adoption. So they decided to examine a historical adoption for clues. [Joseph Weber](#), an associate professor at the Massachusetts Institute of Technology, joined three accounting professors in Australia to focus on the causes and consequences of IFRS adoption errors during a transition. Their hope is to give preparers and regulators some insight into how to reduce the costs of IFRS adoption.

The study also found a link between hiring a Big 4 auditor and having an error-prone IFRS adoption, although the authors surmised there could be multiple possible explanations. It could be that larger audit firms are more often engaged for larger, more complex tasks, for example. The study also found there's no meaningful difference in adoption errors when companies work with audit firm they've had for a number of years or switch auditors soon before an adoption.

Much like the U.S. experience with adopting Sarbanes-Oxley, the study found that early adopters are more likely to make mistakes while those that get more time can learn from the early adopters' mistakes and make fewer mistakes in their own adoption. On the other hand, larger companies are less like to have transition errors, the study notes. "This result is consistent with the notion that while larger firms have more complicated accounts, they have access to greater expertise," the authors wrote.

Finally, the study also found that companies that made big mistakes experienced the most significant costs related to adoption, especially paying higher audit fees.

Top 10 Most Outrageous Tax Deductions

Scott Kadrlík, CPA PFS Accounting Today, Feb. 17, 2011

The Minnesota Society of CPAs has released its list of the most outrageous tax deductions proposed by clients. The list came from member submissions. After compiling the list, the society asked MNCPA member Scott Kadrlík, who moonlights as a comedian at local comedy clubs, how he might respond in his role as a comedian.

Entertainment expense?

An over-the-road truck driver wanted to deduct the cost of female companionship while traveling.

Scott says: I thought people became over-the-road drivers to avoid females telling them how to drive.

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Contracted services?

The cost of a tattoo on the client's derriere.

Scott says: That's called putting a billboard on the moon.

Protection services?

All the expenses associated with a dog, because it served as the owner's security system.

Scott says: Man's best friend is not a good tax deduction. That's the accountant's best friend.

A home office?

A corporate executive wanted to deduct 60 percent of the exec's home as an office, when almost no business activity occurred at the home.

Scott says: Home/office is an oxymoron just like accountant/comedian, nice toupee, Senate Ethics Committee and tax return.

Dependent?

A woman wanted to claim her spouse as a dependent.

Scott says: He probably depends on her for everything. Just what she needs, another child.

Entertainment expense?

A realtor who sells lake property wanted to deduct the full cost of a personal pontoon boat.

Scott says: The Vikings tried to do this on Lake Minnetonka.

Business expense?

A doctor wanted to deduct his hair styling costs, including hair dye.

Scott says: We are recommending a hat.

Business expense?

A woman in sales wanted to write off the cost of hair care, manicures and jewelry because she needed to look good.

Scott says: I guess beauty is skin deep, and ugly is not deductible.

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Cost of living?

A client thought it was acceptable to claim personal living expenses, including utilities, auto insurance and gas.

Scott says: If everything was deductible, there would be no tax dollars available to print the Internal Revenue Code. But then again, we wouldn't need an Internal Revenue Code. Then what would we do with all of the out-of-work Statue of Liberty performers by the side of the road?

Charitable donation?

A client wanted to take a substantial deduction for used designer suits donated to a charity.

Scott says: He may have to replace these suits with ones with stripes.

IRS has \$1.1 Billion in Refunds from Unfiled 2007 Returns

IRS website March 1, 2011

The Internal Revenue Service says it may have refunds totaling more than \$1.1 billion for nearly 1.1 million people who did not file a federal income tax return for 2007 -- more than \$129 million for Californians.

The IRS said in a press release that in order to collect the money, a return for 2007 must be filed with the IRS no later than April 18.

The IRS estimates that half of these potential 2007 refunds are \$640 or more. The IRS said 124,000 Californians may be eligible for refunds, which could average to about \$597 each.

The IRS said that for 2007 returns, the window closes on April 18. The law requires that the return be properly addressed, mailed and postmarked by that date. There is no penalty for filing a late return qualifying for a refund.

The IRS reminds taxpayers seeking a 2007 refund that their checks will be held if they have not filed tax returns for 2008 and 2009. In addition, the refund will be applied to any amounts still owed to the IRS and may be used to offset unpaid child support or past due federal debts such as student loans.

By failing to file a return, people stand to lose more than a refund of taxes withheld or paid during 2007. In addition, many low- and-moderate income workers may not have claimed the Earned Income Tax Credit (EITC). The EITC helps individuals and families whose incomes are below certain thresholds, which in 2007 were \$39,783 for those with two or more children, \$35,241 for people with one child, and \$14,590 for those with no children. For more information, visit the EITC Home Page.

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IRS Probes Tax Prep Software Privacy Practices

Michael Kohn Accounting Today March 1, 2011

The Internal Revenue Service has begun conducting a survey examining the risks associated with electronic tax preparation and filing to gain information on taxpayer data protection practices.

The survey originates with recommendations two years by the General Accountability Office. In a February 2009 report, the GAO recommended that the IRS examine how reliance on commercial tax preparation software used by taxpayers may introduce risks to tax administration in terms of accuracy of tax returns, security, privacy of taxpayer information, and reliability of electronic filing.

The IRS has requested that the non-profit MITRE Corporation, its federally funded research and development center, conduct the risk study. Russell Research, a New Jersey-based independent market research firm, will collect the survey responses.

The survey is voluntary, but the IRS said in an e-mail to tax professionals, tax software developers, and transmitters that it encourages full participation to aid in future policy development. The IRS mailed an information packet ahead of time to selected participants to help them prepare their responses.

Participants should expect a call from Russell Research within one week of receiving the packet, the IRS warned. The phone survey on potential risk sources and impacts should take no more than 20 minutes and all responses will be kept "in the strictest of confidence," the IRS noted.

Small Business Tax Deduction Tips

Stephanie Rabiner Reuters February 28, 2011

Tax season is upon us, which means it's time to start pulling out records and paying the government. While no one enjoys this process, it's possible to make it a little bit friendlier on your pocketbook. With these five tips and a little work, you can master the art of small business tax deductions.

1. Choose Wisely. Often times the law offers two accounting methods for small business tax deductions. For instance, if a business owner has kept impeccable records, it's possible to deduct the actual costs associated with business-related vehicles. However, the law also allows a business owner to deduct a pre-set mileage rate. The second choice may seem easier, but the first one may be more beneficial. When given options, it's necessary to determine which provides a larger deduction.

2. Be Ordinary and Necessary. IRS code section 162 permits small business tax deductions for anything that is deemed ordinary and necessary in the course of business. Sit down with IRS Publication 529 and any of the publications it refers to. Go through each category and write down any expenses that match up. You'll be surprised at what is deductible--professional publications, how-to books, continuing education and seminars.

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3. It's Not Personal. Deducting personal expenses is so important that it deserves its own category. **IRS** employees know what they're looking for, and they'll be able to tell when an expense is personal. Be very meticulous about not deducting personal expenses, even if they are connected to business expenses. If a vacation was part business, part pleasure, only deduct a percentage of it. Same goes for a home office, a vehicle, and any loans.

4. Tax Credits Are Your Friends. Just because there isn't a small business tax deduction doesn't mean there isn't a small business tax credit. Tax credits are wonderful things in that they save you a specified amount of money regardless of your tax bracket. There are a bunch of new tax credits out there for small businesses this year, including those related to general business credits, new employees, and health insurance.

5. Knowledge Is Power. Tax law is always changing, and 2010 was no exception. President Obama signed countless bills into law last year that provided tax cuts to small businesses. To get the most out of your small business tax deductions, you need to be up to date on these changes and understand how they impact you. Otherwise, you may be paying the government more than you owe, and no one wants that.

IRS Loosens Triggers on Tax Liens, But Avoiding Them is Best

USA Today February 28, 2011

A federal tax lien is like those deeply unpopular Denver boots local parking authorities affix to vehicles owned by drivers who haven't paid their parking tickets. The message is clear: Pay up, cowboy, or you're not going anywhere.

But while a wheel clamp will encumber your car, a tax lien has the power to interfere with every aspect of your life. Consumers with tax liens on their credit records may have a hard time getting a job, getting a car loan or finding an affordable place to live.

The devastating impact of a tax lien makes it a powerful collection tool for the **IRS**.

But critics, such as **IRS** Taxpayer Advocate Nina Olson, say tax liens have been overused, and make it harder for people to recover from economic setbacks.

In response, the **IRS** announced last week that it's significantly reducing the number of liens it issues, and will make it easier for taxpayers with existing liens to get out from under them.

The biggest change affects the trigger for a tax lien. Now, the **IRS** won't issue a tax lien unless you owe at least \$10,000 in back taxes, double the previous mark of \$5,000. This is the first time the **IRS** has raised the threshold since the 1980s. **IRS Commissioner Doug Shulman** said the higher threshold will mean that "tens of thousands of people won't be burdened by liens."

The **IRS** also said it's offering relief to taxpayers who already have liens. Once they've met their obligations, taxpayers can request that the **IRS** update its public records to show that the lien has been withdrawn. Once that happens, the lien will be removed from the taxpayer's credit report, says John Ulzheimer, president of consumer education at SmartCredit.com.

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JOB OPENINGS

(Job postings for February 2011 from the Institute of Internal Auditors website)

FOX GROUP – INTERNAL AUDITOR POSITION AVAILABLE

Feb. 25, 2011

Fox Group Audit supports a dynamic, fast-paced worldwide entertainment company whose business includes motion picture and television production companies, such as Twentieth Century Fox and Fox Searchlight; broadcast and cable television channels, such as Fox Broadcasting Company, Fox Sports Net, FX and Fuel TV; and interactive media companies, such as IGN. We are currently seeking a Senior Auditor to join the team.

In this role, your major responsibilities will be to assess and prioritize risks, plan, execute and report on all types of audits. You will participate in key projects and support operational management with Sarbanes-Oxley s404 compliance. You will work closely with financial, operational and IT audit colleagues in integrated audit teams as required.

Successful candidates will have 3 to 6 years experience in either public accounting or industry and have significant experience with audit and/or operations. Experience with the evaluation of IT general controls is preferred. You will be a team player with strong analytical and organizational skills. The ability to multitask effectively in a dynamic environment is a prerequisite along with confidence interacting with executives at all levels. A bachelor's degree in Finance or Accounting is required, as is experience with Sarbanes-Oxley s404.

Our internal audit department is based in Beverly Hills, with annual travel expected to be around twenty percent.

To apply, please e-mail your resume to ffe.resumes@fox.com and reference "IIA – Fox Audit" in the subject line.

GUITAR CENTER INTERNAL AUDITOR

Feb. 22, 2011

Guitar Center is the world's largest retailer of musical instruments with annual revenues exceeding \$2 billion. We are an established organization with over 10,000 associates currently operating in 309 retail outlets spanning 43 states and the world's largest volume web and catalog instrument fulfillment business. Our success is based on core values that embody a winning attitude and incorporate the highest standards of ethics and integrity. We're proud to do whatever it takes to satisfy our customers. We seek leaders for our corporate office in Westlake Village, CA who want to be an integral part of our team.

Position Overview

He / She will provide a leading role in all phases of the audit cycle (planning, execution, reporting, and follows up). He / She ensure timely, direct and relevant communication with the internal audit team, Senior Management and external Auditors. He / She will demonstrate professional curiosity and aptitude to learn new skill sets. He / She will promote a team oriented environment on each audit assignment. He / She will responds to changes in workload and/or focus of work by modifying actions to suit business needs. Is committed to continuous improvement and embraces leading practices and tools creating value for the business by focusing on effect risks and providing cost-effective innovative solutions. Candidate will illustrates the highest degree of trust and integrity by continually upholding the principles of professional standards.

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Core Responsibilities

- Communicates audit status to the appropriate management and business units.
- Proactively leads audit planning efforts. Defines project scope and timeframe for approval.
- Ensures audits are resourced properly. Accountable for individual audit execution.
- Responsible for developing audit procedures. Ensures that fieldwork is properly conducted and completed in accordance with the audit plan. Staff is supervised. Their work reviewed. Follow-up work performed as necessary and that findings are communicated to Audit and client management.
- Review audit work papers to ensure they are clear and well-organized, and that they appropriately document the work performed. Ensures that key controls are tested and all significant risks are addressed. Formulates appropriate conclusions regarding the adequacy of internal controls and procedures based on knowledge of operations and the audit work performed.
- Applies problem-solving methods and data analysis to identify business issues. Writes clear meaningful audit comments and recommendations for action by management. Ensures audit reports are developed timely and with high quality.
- Interacts with all levels of management and Company employees. Conveys audit findings persuasively and confidently in meetings with local, Division and Corporate management.
- Ensure audits are closed timely and effectively (e.g. work paper review, management action plans, client survey, database closure).
- Identifies and communicates leading practices.
- Provides timely performance feedback to audit team members.

Required Skills

- Bachelor's Degree in Accounting / Finance
- Minimum of 4 years progressively responsible experience.
- Combination of public accounting on SOX engagements and/or internal audit experiences.
- Strong planning and organization skills with proven ability to manage large/complex projects and to synthesize and summarize voluminous information into executive presentations.
- Strong analytical and critical thinking skills and excellent written and oral communications and presentation skills.
- Professional certification is strongly encouraged (e.g., CPA, CIA, CFE, PMP).
- Strong employee management and team skills.
- Must be a strategic thinker and deadline-oriented.
- Comfortable with the use of data analytics (e.g., ACL).
- Strong PC skills and proficiency with Microsoft Suite.
- Ability to travel - approximately 25% annually.

In connection with an application for employment and/or promotion with Guitar Center, Inc., investigative consumer reports, which may include credit reports, criminal history consistent with applicable federal and state laws, motor vehicle reports, employment records, educational background or other sources of information may be requested.

For consideration, please send your resume and salary requirements to jobs@guitarcenter.com.

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AUDIT RELATIONSHIP MANAGER - APPLICATIONS-14802

Feb. 4, 2011

Headquartered in San Francisco, UnionBanCal Corporation is a financial holding company with assets of \$80 billion at September 30, 2010. Its primary subsidiary, Union Bank, N.A., is a full-service commercial bank providing an array of financial services to individuals, small businesses, middle-market companies, and major corporations. The bank operated 397 banking offices in California, Washington, Oregon and Texas, as well as two international offices, on September 30, 2010. UnionBanCal Corporation is a wholly-owned subsidiary of The Bank of Tokyo-Mitsubishi UFJ, Ltd., which is a subsidiary of Mitsubishi UFJ Financial Group, Inc. Union Bank is a proud member of the Mitsubishi UFJ Financial Group (MUFG, NYSE:MTU), one of the world's largest financial organizations. Visit www.unionbank.com for more information. LOCATION: MONTEREY PARK or BREA

Description

Monitor and report on the Bank's processes to control enterprise wide data risk management practices.

- Conduct audits and risk-based continuous monitoring to evaluate and analyze the efficiency, effectiveness and sustainability of data management and data quality controls in accordance with IIA and ISACA standards.
- Monitor & report on the Bank's processes to control enterprise wide risk management practices.
- Use risk focused continuous monitoring and on-site risk evaluations to evaluate and analyze the efficiency and effectiveness of controls.
- Write detailed risk evaluation programs to test the internal controls using a risk-based approach and analyze reasonable threats and the resulting exposure.
- Document findings and interface with line management to obtain an appropriate response.
- Write clear, concise and persuasive risk evaluation reports and other documents summarizing level of risk, scope, findings, recommendations, and the current status of the issues.
- Direct and participate in special audits or project reviews.

Qualifications

Candidates with a combination of financial, operational, and IT audit experience preferred.

- Bachelor's / Master's Degree with a focus in Accounting, Business or Finance preferred..
- Professional certification is highly desirable with at least 5 years of related audit or business experience.
- Good understanding of risk management, audit techniques, internal controls, audit principles.
- Strong skills in conducting risk assessments and a solid understanding of business and financial markets.
- Self starter with good leadership skills and strong organizational skills.
- Ability to work collaboratively in a team environment.
- Effective oral and written communication skills.
- Ability to interact effectively with unit management and staff and all levels of IRMG Audit, IRMG and UB management.
- Strong knowledge of word processing, spreadsheet and related software applications.
- Working knowledge of data analytics software and tools.
- Candidate must not have travel restrictions, although travel typically does not exceed 25%.

Candidates can apply directly to our website at www.unionbank.com/careers and/or send their resumes directly to Angelica.Trinidad@unionbank.com.

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City of Hope Internal Audit Manager

February 4, 2011

Experience an amazing future!

Make a difference, get noticed and build a highly rewarding career. That's the opportunity open to you right now at City of Hope. We're an innovative biomedical research, treatment and educational institution dedicated to the prevention and cure of cancer and other life-threatening illnesses. Our 112-acre campus in Duarte provides a spectacular backdrop for you to support our visionary work through your business expertise.

In this high-visibility position, you will have the opportunity to drive important changes as you manage the audits for areas across the organization. As these areas operate as independent business units, you will enjoy a diversity of challenges in an environment that is dynamic and committed to growth and advancement. You will have the opportunity to work closely with executives, managers and department chairs.

We're seeking a well-rounded professional with seven years audit experience (primary focus on internal audit), five years supervisory experience and a Bachelor's degree in business, accounting or finance. The ideal candidate will have a Master's degree and/or CPA, CIA or CISA certification and an extensive business background, preferably within a Big Four firm. You must be highly collaborative with strong communication skills to thrive in this position. Exposure to the healthcare industry is highly desirable.

Join City of Hope as we work together to create the optimum environment to redefine the future of modern medicine. For consideration, please apply online at www.cityofhope.org/careers or contact Diana Herrera with questions at dherrera@coh.org

City of Hope provides an environment of diversity, discovery and unlimited possibilities. An Equal Opportunity Employer.