



FogHorn

November, 2005

Institute of Management Accountants
San Francisco Chapter

www.sfima.org

November Social Event

Meeting Place: Chevy's, 2 Embarcadero Center
November 17th, 5:30 – 7:30

With the Holidays coming up quickly, there are not going to be many more chances after this to socialize after work.

So put it in your calendar, Thursday, Nov. 17th 2005, from 5:30 to 7:30 at the Chevy's in the Embarcadero Center is an IMA Happy Hour. So take advantage of this opportunity to schedule a Happy Hour in your Outlook Calendar.

This is not a meeting and has no structure, but rather a social call for all members to come out and meet the new faces at IMA.

So walk, run, drive, BART, Bus, Taxi, ride, whatever you can and check it out.

If you haven't been to a function in a while, this is your best opportunity to get re-involved.

Stop by for a minute or stay all night, its going to be a fun chance to meet new people and catch up with those you haven't seen in a while

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Date:

Tuesday, Sept. 28, 2004

Time:

5:30-7:30 p.m.

RSVP:

Contact:

Tim Chaney

(415) 243-3380

or via e-mail at

timothyc@remxfinancial.com

Board Meetings:

Our next board meeting will be held on Tuesday, November 29, 2005 at 6:00 pm at the office of Robert Half, 50 California Street, 10th floor. The meeting is open to all that wish to attend. If you would like to have some input regarding our direction or would just like to check out how the board operates, please contact Terra Casey at terra.casey@accountemps.com and let her know you will be coming.

WEBSITE:

Our new website is now up and running! You can now go to it to access all pertinent information, such as upcoming meetings and events, past and present newsletters, links to the National site, and contact information for the board members. Please check it out at www.sfima.org. As with everything else, if there is something you feel should be on the website that isn't, please feel free to contact Mark or Joel with your feedback. Their e-mail addresses are as follows:

Mark Birnbaum mbirnbaum@snader.com

Joel Smith jsmith@lautze.com

Over the last year we have sent several communications to the membership via e-mail. It has come to our attention that many of you have not been receiving these, as we don't have a current e-mail address for you. Please take the time to go to our website to update your contact information.

NEWSLETTER:

Do you have a position available that you would like to advertise? Are you looking for a position? We offer free advertising to our members as well as to companies offering positions.

This is intended to be a service to our membership and not as free advertising for recruiters. The San Francisco IMA does offer advertising to others at reasonable rates, however.

Please Contact Joel Smith at (415) 543-6900, ext. 269, or by e-mail at Jsmith@Lautze.com for more information.

Is there anything that you would like to see in the newsletter that you think would be of benefit to the membership? Please feel free to contact Joel to give your input.

San Francisco chapter members
receive **30-40%** off all
CMA/CFM and CPE purchases.



Contact Chris Handley at:
(800) 874-5346 Ext. 134
Or by e-mail at chris.handley@gleim.com
www.gleim.com

How do I Time a year-end bonus to be taxed next year?

Given a choice between recognizing income now or in a later year, most people want to be paid now and be taxed in a later year. As a practical matter, however, an employee cannot defer compensation after performing services and becoming entitled to payment. Routine compensation earned over a prescribed pay period -- a week, two weeks, or a month, for example - usually is paid or made available in the same year it was earned. Recognition of the income cannot be put off to a later year.

If the employee earns compensation in one year but will not receive it until the following year, the amount is treated as deferred compensation (unless the employer has funded or secured its obligation to pay, or the 2 1/2 month rule, noted below, applies). If an amount is treated as deferred compensation, the employer cannot take a deduction until the year the employee includes the compensation in income. This rule applies even if the employer is on the accrual basis and all events have occurred that entitle the employee to a specific bonus amount. This "matching" principle is contained in Code Sec. 404(a)(5).

The 2 1/2 Month Rule

However, payments made in the first 2 1/2 months of the end of the year that the services were performed are not treated as deferred compensation. This allows the employer to accrue and deduct the compensation in the year it is earned (the year the services were performed), not the later year when it is paid. Nevertheless, the employee still is entitled to defer his or her recognition of income into the next year if certain conditions are satisfied.

Employers who want to spare their employees from being taxed in the year a bonus is earned should not make any amounts available to the employee until the following year. This is particularly important if the employee earns a bonus based on an objective measure, such as corporate earnings. If the bonus is paid solely in the employer's discretion, the amounts will not be taxable until the year paid. If the bonus is paid within the first 2 1/2 months of the following year, the amount is not deferred compensation, and an accrual-basis taxpayer can deduct the bonus in the year the employee performed the services.

Elective Deferral Requirements

If an employer wants to give the employee an election to defer the bonus, it is necessary to look to Code Sec. 409A, enacted in the *American Jobs Creation Act of 2004*. Under Code Sec. 409A, a bonus based on measures of the company's or the individual's performance is treated as deferred compensation. If the bonus is based on services performed over a 12-month period or longer, the employee must make an election to defer income at least six months before the end of the bonus period.

FUTURE TAX TOPIC SUGGESTIONS:

Is there any tax topics that you would like to see addressed in future newsletters? Please feel free to send Joel an e-mail at the address given above with your requests and suggestions.

WANT ADS

COST PLUS
WORLD MARKET.
JOB DESCRIPTION

Job Title: Sarbanes-Oxley Coordinator	Reports To: Assistant Controller
Department: Accounting #804	Supervises: None
FLSA Status: Exempt	Date: September, 2005

General Overview:

The Sarbanes-Oxley Coordinator will be responsible for facilitating the ongoing documentation and testing of Cost Plus' system of internal controls as mandated by the Sarbanes-Oxley Act. The coordinator will ensure compliance by process owners with Company requirements and guidelines established for the performance, documentation, and testing of internal controls as required by Sections 302 and 404 of the Act.

Principal Duties and Responsibilities:

- Assist in the continual monitoring and updating of the control environment, keeping abreast of significant control issues, trends, and developments.
- Work with business process owners to maintain/update required process matrices, narratives & flowcharts, and any other documentation required to remain in compliance with the Sarbanes-Oxley Act.
- Assist process owners with inputs and updates to SOX Excel & Visio spreadsheets. Prepare and archive quarterly Excel/Visio files.
- Assist in the analysis and assessment of internal control risks and improvement opportunities. Assist in identifying and documenting gaps existing in controls over financial reporting.
- Aid management in determining re-remediation steps for internal control deficiencies. Ensure that re-remediation actions are enacted in a timely manner for all noted control deficiencies.
- Communicate identified control weaknesses to senior management and prioritize the re-remediation of control weaknesses by financial risk. Prepare various reports and materials for executive management review and oversight.
- Facilitate the performance of management, internal auditors and external auditor testing of internal controls required by Section 404 of the Sarbanes–Oxley Act.
- Facilitate Cost Plus' compliance with Company-mandated requirements involving disclosures, management representations, and other disclosure controls and procedures mandated by Section 302 of the Sarbanes–Oxley Act.
- Create awareness of process best practices and drive standardization of processes to maximize internal control effectiveness and efficiency. Drive the process for employee education relating to financial controls and expectations for compliance.
- Other projects as required.

Job Requirements

- Bachelor's degree in Accounting.
- Minimum 2-4 years experience in general/public accounting or internal audit environment.

- Understanding of internal controls and the requirements of Sarbanes–Oxley; familiarity with COSO is a plus.
- Strong verbal and written communication skills. Strong analytical skills.
- Ability to (1) review and appraise the effectiveness of both operating and financial processes, (2) examine processes on both a micro and macro basis and (3) prioritize issues for materiality and level of risk.
- Proficient with all Windows Office software applications.
- Self-starter, able to work with minimal supervision and direction.
- Team player, able to interact and communicate with all levels within the company.

Please contact: Heather Ferguson
 Corporate HR Assistant
 p: 510-808-9225 f: 510-465-6825

SHEEDY DRAYAGE Co.

When Joseph D. Sheedy founded Sheedy Drayage Co. in 1925, its equipment consisted of a single truck and its main work was hauling to and from San Francisco’s docks and railway depots. The company now operates a fleet of more than 100 trucks, trailers, cranes and other heavy-duty lifting and hauling equipment. Sheedy is one of northern California’s leading crane, rigging and heavy hauling contractors. Sheedy provides rigging services for everything from mounting statues to erecting tower cranes and manlifts. Sheedy has extensive warehousing facilities for the transfer of goods and machinery.

Because of its equipment and broad experience, Sheedy Drayage Co. today is distinguished by the ability to perform any hoisting, rigging, or hauling task efficiently and safely. The area served by the company extends throughout California – in fact, nationwide for heavy hauling – and Sheedy is continuing to expand its fleet and facilities in response to the region’s economic development, as it has for more than a half a century. Sheedy is looking for an experienced Accounting Manager for its San Francisco headquarters.

Responsibilities/ Position Description:

Provide support to the Chief Financial Officer in the following areas:

- Accounts receivable monitoring
- Bank reconciliations
- General ledger account analysis
- Monthly closing and financial statement preparation
- Cash management
- Internal auditing

Administrative responsibilities will include:

- Selected payroll functions
- Billing support/processing
- Selected office management/tasks

Job Requirements:

- 3 – 5 years bookkeeping/accounting experience
- BS/BA Degree, accounting preferred
- Demonstrated supervisory experience
- Excellent oral and written communication skills

Please submit your cover and resume to:

jobs@sheedycrane.com.

For more information on the company, visit our website:

www.sheedycrane.com .

No phone calls please.



LAUTZE & LAUTZE
CPAs & FINANCIAL ADVISORS

Tax Staff Position

Serving the Bay Area, Central and Northern California, Lautze & Lautze traces its roots to the mid 1920s, with the firm name established in San Francisco by Richard and Robert Lautze in 1945. Throughout the years, Lautze & Lautze has continued to grow – with many of our clients growing with us for more than a generation. We have excellent opportunities for Tax Staff in our San Francisco office. As one of the larger independent Bay Area firms, we provide an atmosphere that will showcase your unique contributions and encourage your aspirations. We take satisfaction in supporting and guiding our professional staff in developing the qualities and results they want to achieve. We provide training, professional education, and other opportunities to enrich, develop and advance your career with us. For more information please visit our website – www.lautze.com

Responsibilities/ Position Description:

- Accomplish basic engagement steps and relate basic engagement steps within engagements.
- Preparing letter content.
- Ability to self-manage (accomplish the job).
- Knowledge and application of Firm policies and standards.
- Identify contacts and keep in touch.
- Participate in professional activities.
- Develop spheres of influence.

Job Requirements:

- 0-3 years recent public accounting experience
- BS/BA Degree, accounting preferred
- CPA candidate preferred
- Excellent oral and written communication skills
- A motivated team player

When It Comes To Your Estate Plan It's Never Too Early

Provided by RBC Dain Rauscher and Jon Warner

You save and invest for decades to build up the retirement nest egg you have envisioned, but you want more than that. You want to make sure your family is provided for after you're gone. Or, maybe you want create a legacy through charitable organizations you support. For those reasons, you may want to consider creating a comprehensive estate plan.

Of course, if you're not retiring for several years you may think it's too early to think about drafting an estate plan. However, while no one can foretell the future, it pays to be prepared.

Organize and Update

Estate planning can be a long and complex process. Where should you begin? For starters, get organized. Draw up a list of all your important documents — property deeds, brokerage statements, bank accounts, life insurance policies, etc. — and where they can be found.

Next, update all beneficiary designations on life insurance policies, retirement accounts and pension plans. Review these designations at least once a year to reflect changes in your life, such as the birth of a child, a death in the family, a marriage or a divorce.

Will — If you don't have a will in place, your heirs may face costly delays before receiving any of your assets. Furthermore, your wishes may never be fully honored, because state law will dictate how your assets are divided. Generally speaking, these laws will award assets to natural or adopted relatives, excluding additional beneficiaries and charitable groups. And if you have no living relatives, and you die intestate (without a will), your estate may go to the state.

Living Trust – Even if you have a will established your assets may still have to pass through probate, which can be time consuming and expensive. However, with a properly established living trust your assets can pass directly to your beneficiaries without court interference, legal fees, lengthy delays and public disclosure. A living trust can give you more control over how, and when, you want your assets distributed.

Charitable Remainder Trust— If you want to include a charitable group in your estate plans, you might want to consider a charitable remainder trust. So, how does it work?

You donate an appreciated asset, such as a stock or piece of real estate to the trust, which can then be sold. The proceeds are then used to purchase a portfolio of securities. From the trust, you receive an income stream for life. Upon your death, the charitable organization receives the remaining principal. By setting up a trust, you can avoid a capital gains tax and you can claim a deduction on your current-year taxes. And since you're moving assets from your estate, your beneficiaries will have fewer estate taxes to pay.

Durable General Power of Attorney — This document allows you to appoint another person to conduct your business affairs if you are physically or mentally unable to manage them yourself. Because of its “durable” nature, this power of attorney is effective even if you become legally incapacitated.

Medical Power of Attorney — At some point in your life, you may be seriously injured, ill or otherwise unable to make decisions regarding your health care. That’s why it’s a good idea to draw up a medical power of attorney to empower a trusted relative or friend to make health care decisions for you, based on your best interests.

Living Will — A living will allows you to state the conditions under which you wish to receive life-prolonging medical treatment. If you don’t have a living will, your health care agent or physician may not know your wishes, and may or may not proceed with treatment — despite your actual wishes or intent.

So, keep in mind that it can take months, or even years, to fully incorporate the various elements of a full-scale estate plan. It’s the actions taken today that will make a difference down the road, and put you at ease knowing your assets and your life are in good hands.

This article is provided by Jon Warner (Phone # 415-445-8316), a financial consultant at RBC Dain Rauscher in San Francisco and was prepared by or in cooperation with RBC Dain Rauscher. The information included in this article is not intended to be used as the primary basis for making investment decisions nor should it be construed as a recommendation to buy or sell any specific security. RBC Dain Rauscher does not endorse this organization or publication. Consult your investment professional for additional information and guidance.

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2006 Accounting and Finance Salary Outlook

According to the *2006 Salary Guide* from Robert Half International, the outlook is bright for accounting and finance professionals. In 2006, starting salaries are projected to increase an average of 3.1 percent.

As companies strive to meet growing customer demands and enhance corporate governance and internal control requirements, they are hiring accountants to support expansion initiatives, including mergers and acquisitions, financial systems upgrades, and compliance efforts.

The intensified need for finance professionals, exacerbated by a shrinking labor pool, has made recruitment and retention a high priority. Employers are readjusting their pay structures and benefits plans to ensure they remain competitive. Salaries are rising, and bonuses, extra vacation days and flexible work schedules are becoming increasingly common.

Key findings in the *2006 Salary Guide* include:

- Information technology auditors can expect the largest percentage increase in base compensation of any accounting and finance position in 2006, with average starting salaries forecast to rise 11.2 percent to between \$67,000 and \$94,250* annually.
- Entry-level accountants at midsize (\$25 million to \$250 million in sales) companies will see starting salaries rise 4.1 percent to a range of between \$32,000 and \$38,250.
- Accounts receivable/accounts payable managers at small companies (up to \$25 million in sales) will see starting salaries climb 5.2 percent, to the range of \$33,750 to \$41,500.
- Internal auditors with up to one year of experience will see average starting salaries increase 9.0 percent at small companies to \$35,500 to \$43,250 per year.
- Tax managers at medium companies will see average starting salaries of \$57,750 to \$74,000 – up 4.6 percent from 2005.

Accountemps is the world's first and largest temporary staffing service specializing in the placement of accounting, finance and bookkeeping professionals. The company has more than 330 offices throughout North America, Europe, Australia and New Zealand, and offers online job search services at www.accountemps.com.

The 2006 Salary Guide from Robert Half International includes starting salary ranges for more than 100 accounting, finance and banking positions, as well as information to customize salaries for 70 local markets.