



# FogHorn



## Institute of Management Accountants - San Francisco Chapter

### January, 2008 Newsletter

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<b>Upcoming Events</b>
<b>SF Excel User's Group</b>
<i>Excel Expert Certification Class</i> Wednesday, January 9, 2008 6:15 – 7:15 at 595 Market Street, Suite 960
<i>Excel Specialist Certification Class</i> Wednesday, January 16, 2008 6:15 – 7:15 at 595 Market Street, Suite 960
<b>Bay Area Excel Users' Group</b> Saturday, January 19, 2008 Dinah's Garden Hotel 4261 El Camino Real Palo Alto, CA 94306
For more info on Excel Certification Classes: Contact Joel at <a href="mailto:jsmith@lautze.com">jsmith@lautze.com</a>

## President's Message—By Joel Smith

### TO A VERY HAPPY AND PROSPEROUS NEW YEAR

I hope everyone has had a happy holiday season and I wish you an even brighter and more enterprising 2008. We here at the SF IMA are doing everything in our power to provide the membership with the tools you need to make the most of your careers.

We have a lot to be proud of as we look back on our last year. We instituted educational programs that reinvigorated the chapter and helped redefine our direction as a chapter. These programs have set an example that other chapters have been looking to as a way of re-establishing their own chapters. We have won our first National Competition Banner in nearly 40 years, and we have started our first steps toward pioneering a new IMA program; creating a sister-chapterhood with the Istanbul, Turkey Chapter.

Our Excel workshops are humming along. We have re-established our contact with the people at Remx Financial, and will be holding our sessions back at their board room at 595 Market Street, Suite 960 starting with the next Expert session on January 9<sup>th</sup>. Please contact John Hallett at [jhallett@well.com](mailto:jhallett@well.com) for details.

On a personal note, I am happy to say that I am the second of Mr. Hallett's disciples to earn the Excel Specialist Certification. For those that are considering taking the test in the near future, you should know that CompUSA is closing down and testing will no longer be available at their facilities after January 26<sup>th</sup>. As soon as we find out an alternative testing sight, we will let you know.

Our CMA review course is finally up and running. Our friends at Golden Gate University have been kind enough to let us use a room with all of the equipment we need. It is still early enough in the beginning of Test 1 preparation for you to jump on board. We plan to run to the program for two different tests simultaneously so that we can most easily include as many people that are interested in joining to jump in without too much wait. Right now it will cost a candidate \$250.00 for all four parts, and you can join the class for as long as you need to pass. This is by far the most economical way to study for the test. If you're interested contact Harry Massouda at [harry@resourceanddesign.com](mailto:harry@resourceanddesign.com).

We are looking to start another program for current holders of the CMA and/or the CFM credential. Those who have these credentials should know by now that there will be a 2 hour ethics training requirement as part of the 30 hour a year continuing education requirement , starting in 2008. There is a series of tapes that the chapter can purchase and we plan on showing these to people who need to have these education credits. What we have in mind is something like a pizza, beer and ethics night once a quarter for a small fee to cover the food and drinks and the purchase of the program. This certainly will be the easiest and most economical way to meet this requirement. If you are interested, please contact me at [jsmith@lautze.com](mailto:jsmith@lautze.com). Also, if you know of a good pizza parlor with a back room where we can set up a T.V. and DVD player, please let me know.

Thank you for making 2007 a great year. Let's Make 2008 even better!

## FUTURE MEETINGS / UPCOMING EVENTS

### San Francisco Excel User's Group

We are offering two Excel User Group programs for the 2007-2008 season. We are offering the Excel Specialist Certification program that we had last year as well as the next step, the Excel Expert Certification Program. These programs will be held on the First and Third Wednesday of each at the offices of Remx Financial at 595 Market Street, Suite 960. Please contact Joel if you are interested in attending.

Joel Smith: (415) 543-6900, ext. 269 [jsmith@lautze.com](mailto:jsmith@lautze.com)

Our schedule of Excel Courses through the end of 2007-2008 season is as follows:

#### Specialist

January 16

February 20

April 2

May 21

#### Expert

January 9

February 6

March 5

April 16

May 7

June 4

### Board Meetings

Our next board meeting will be held on **Tuesday, January 14<sup>th</sup>** at 6:00 pm at the office of Robert Half, 50 California Street, 10<sup>th</sup> Floor. The meeting is open to all those 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, contact Terra Casey: [terra.casey@accountemps.com](mailto:terra.casey@accountemps.com)

### CMA Certification Study Groups

We started offering a series of video lectures from Lambers CMA Review Course to our members studying for the CMA test who wish to do so in a group setting. To participate, a candidate will need to purchase a set of books and flashcards from Lambers. The cost for all four parts of the exam will be \$250.00, or \$70.00 for any single part. This is by far the most economical way to study for this exam that we have found, and we have received good reviews from others that have used the Lambers System.

Meetings will be held on Tuesdays and Thursdays from 6:00pm to 9:00pm at the Golden Gate University. Our first official session was on Tuesday, December 11<sup>th</sup> at 6:00pm. However, it is still early enough in for you to jump on board. We plan to run the program for two different tests simultaneously so that we can most easily include as many people that are interested without too much wait.

For more information, please contact Harry Massouda at [harry@resourcedesign.com](mailto:harry@resourcedesign.com) or by phone at (415) 777-0202, ext. 249.

For those who prefer to study for the exam on their own, we still offer the Gleim discount program to those who are members of the San Francisco Chapter. See the Gleim add in this newsletter for more details.

## **Bay Area Users Group** *Co-hosted by San Francisco and Peninsula IMA*

Bay Area Users Group meets bimonthly to hold excel training sessions. All sessions are designed to serve the needs of basic to advanced users and you can get both CMA & CPA CPE credit. Sessions attract more than hundred-twenty professionals and provide a low key environment for networking among participants.

The third training session will be on **Saturday, January 19<sup>th</sup>** at 8:30 am at Dinah's Garden Hotel in Palo Alto. These meetings will bring you the expertise in the areas most often asked for by employers. So sign up early for the remaining sessions as they tend to sell out quickly!

Dates of the remaining training sessions are as follows:

SESSION 1	09/15/07	PIVOT TABLES – <b>Sold Out</b>
SESSION 2	11/17/07	LOOKUP & MATCH INDEX FUNCTIONS – <b>Sold Out</b>
SESSION 3	01/19/08	MACROS & VBA
SESSION 4	03/15/08	GRAPHS & CHARTS
SESSION 5	05/17/08	IF COMMANDS & CONDITIONAL SUMS & FORMATING
SESSION 6	07/19/08	EXCEL 2007

For more details and to register online, visit <http://www.excelmasters.org>

## **Other Upcoming Events**

### **2008 Regional Educational and Seminar Training** *presented by Golden West and Pacific Northwest Councils*

This training session offers members an excellent opportunity to earn 21 hours of CPE.

Topics include: Career Management, Accounting & Auditing Standards Updates, Investment Banking for the Middle Market, Inventory Accounting & Controls, Enterprise Risk Management, Records Management Strategies and 401k Tune-up Strategies for 2008.

More information could be found at: <http://www.goldenwestcouncil.imanet.org>

You can also contact Patt Mayer, REST 2008 Coordinator, at 925-689-1440 or [pattmayer@earthlink.net](mailto:pattmayer@earthlink.net)

### **Ethics Training** *presented by the IMA San Francisco Chapter*

We are looking to start another program for current holders of the CMA and/or the CFM credential. IMA recently announced that, starting in 2008, there will be a 2 hour ethics training requirement for CMA/CFM certificate holders. There is a series of tapes we plan on showing to people who need to have these education credits. What we have in mind is something like a pizza, beer and ethics night once a quarter for a small fee to cover the food and drinks and the purchase of the program. This certainly will be the easiest and most economical way to meet this requirement. If you are interested, please contact Joel at [jsmith@lautze.com](mailto:jsmith@lautze.com).

## WEBSITE / NEWSLETTER UPDATE

### Website

Thanks to Colette Duncan, a member of the Peninsula Palo Alto Chapter, our web-site is up to date! Please check it out at [www.sfima.org](http://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 Joel with your feedback. His e-mail address is as follows:

Joel Smith                      [jsmith@lautze.com](mailto:jsmith@lautze.com)

As e-mail has become our primary method of communicating with the chapter regarding upcoming events and other items of importance, it is crucial that we have current contact information. If your e-mail address has changed recently, or if you would prefer that we send our communications to a different address, 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 Arzu Ozatalay at (415) 575-6107, or by e-mail at [aozatalay@ciis.edu](mailto:aozatalay@ciis.edu) 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 Arzu to give your input.

### Suggestions

As we changed our meeting format to better serve the chapter members interests, we currently have an agenda that is more narrowly focused than it has been in the past. Recognizing that there are other subjects and topics that various members of the chapter may have an interest in seeing addressed, we are very open to suggestions and ideas on how we can better serve the membership in their pursuit of their professional endeavors. After all, it is what we are all about.

If you would like to see the chapter pursue other ideas, please feel free to contact one of the board members or, if you like, come to one of the board meetings to give your feedback.

**Joel S. Smith, CPA, CMA**  
**Lautze & Lautze**  
**(415) 543-6900, ext. 269**  
[jsmith@lautze.com](mailto:jsmith@lautze.com)

## **Top ten "to-do" list of smart 2007 year-end tax moves**

With the end of the year quickly approaching, and tax filing season following shortly thereafter, now is an ideal time to organize your financial documents and records and assess your tax position in a number of areas that may be critical. A little preparation and organization now can help save you time and stress - not to mention some tax dollars - as the April 15 filing date draws near. However, you may find preparing now for the 2008 filing season a little overwhelming. For those who may not even know where to begin planning or organizing, and for those who need a helpful reminder of important considerations for this tax season, consider the following top ten "to-do" list:

(1) Decide whether deferring or accelerating taxable income to 2007 or 2008 will help. If you anticipate being in a higher tax bracket in 2007 than in 2008, you may want to delay the receipt of taxable income, if feasible, until next year. Consider whether deferring income until 2008 is economically sound under your particular circumstances, or whether delaying income could help prevent you from losing lucrative tax breaks that could be reduced or altogether eliminated as your income level rises.

On the other hand, it may be more beneficial in your particular situation to accelerate income into 2007, rather than deferring it until 2008. For example, one issue to consider is whether you need additional income this year in order to take advantage of certain offsetting deductions or credits that are set to expire before 2008.

(2) Decide whether accelerating or deferring deductible expenses will mean overall tax savings. Deduction planning can be complex. Remember that your ability to take deductions depends on your income level and filing status, as well as whether you plan to take the standard deduction. For example, if you are well within the standard deduction limit for deductions, postponing expenses that would generate deductions until 2008 usually makes sense.

(3) Estimate your potential Alternative Minimum Tax (AMT) liability. Although Congress is poised to pass yet another AMT "patch," and it is anticipated that such a patch will resemble the one enacted in 2006, uncertainty for taxpayers estimating their potential AMT liability remains. A good starting point for projecting your potential AMT liability is to estimate your income for the remainder of 2007 and also for 2008. In calculating your potential AMT liability, remember that certain items of income that are otherwise excludable under the regular tax rules become "tax preference" items that are not deductible under the AMT. If these items apply to you, include them in your AMT calculation:

- Personal exemptions;
- Deductions for state and local taxes;
- Home equity loans and other mortgage interest;
- Large capital gains;
- Incentive stock options;

- Private activity bonds (such as tax-exempt interest from private activity municipal bonds);
- Deductions for unreimbursed business expenses, and
- Certain other itemized deductions.

(4) Take control of passive gains and losses. The tax law only permits the deduction of losses from passive activities to the extent of passive activity gains. Any excess loss is suspended and carried over to a year in which offsetting passive activity gains are realized or the activity that generated the loss is disposed of. Any business activity in which the investor does not materially participate and most rental activities fall into the passive activity category. Making certain that no passive activity loss goes unused in 2007 may require certain action on your part before year's end.

(5) Review your investment portfolio. Examine your investments to determine whether your tax position would benefit from selling certain stock or securities you own or from holding onto them longer.

(6) Estimate your adjusted gross income. Estimating what you anticipate your adjusted gross income (AGI) to be for 2007, as well as 2008, is important because many tax breaks are tied to, or limited by, what your AGI is, and thus what tax bracket you fall into. For a good picture of what your 2007 AGI may look like, review your 2006 income tax returns and look at your 2007 pay stubs. For example, AGI limits overall itemized deductions, any itemized medical deductions and your "miscellaneous" itemized deductions, as well as your ability to take education credits, take a full deduction for your charitable contributions, or execute a Roth conversion.

(7) Watch out for any underpayment of estimated tax. Year-end tax planning also requires getting ready for January 15, when the fourth quarter estimated tax payment for 2007 is due. Falling short on estimated tax can mean a hefty interest penalty charge. For 2007, however, underpayments of up to \$1,000 avoid the penalty this year. If it looks as if you will pay an estimated tax penalty, increasing tax withholding on your wages for the rest of the year will help make up the difference. So can having 25-percent withholding taken on any year-end bonus and other "supplemental wages" paid to you before year's end.

(8) Give the gift of money ...or stock. You may be in a position to reduce your 2007 income by gifting money to family and friends. For 2007 and 2008, you can gift up to \$12,000 per person, per year, without paying any gift tax on the amounts transferred. Married couples can gift up to \$24,000 per person, per year without paying tax on the amounts transferred. If you give stock, however, remember that the recipient takes over your tax basis and would be required to pay capital gains tax when the stock is sold. With a zero-percent capital gains rate for lower-bracket taxpayers starting in 2008, however, that might just add to the benefits of gift giving at year end and selling at the start of the new year.

(9) Make a charitable contribution. If you plan on making a charitable contribution in 2007, remember that cash donations of any size must be substantiated by proper paperwork, which can include either a cancelled check or a written note from the charity indicating the amount, date and name of the charity.

(10) Take advantage of tax breaks that may be easily overlooked. There are a number of tax breaks that you may be able to take advantage of in 2007, and that may considerably improve your tax position. Consider the following non-exhaustive list of credits that may apply to you:

- State and local sales tax deduction;
- Mortgage insurance premiums;
- Tuition and fees deduction;
- Educator deduction;

- Residential energy property credit;
- Earned income tax credit;
- Alternative motor vehicle credit;
- Child and dependent care credit;
- Adoption credit

**San Francisco chapter members  
receive significant discounts on all  
CMA/CFM and CPE purchases!**



**Contact Matthew Cmar at:  
(800) 874-5346 Ext. 135  
or by e-mail at [matthew.cmar@gleim.com](mailto:matthew.cmar@gleim.com)  
[www.gleim.com](http://www.gleim.com)**