



The Journal *Entry*

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www.AccountingCircle.org

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Victimless Crimes... Is There Really Such a Thing?

Take this true/false quiz to test your legal knowledge:

- It is illegal to pay someone for a product or service in cash.
- It is illegal to accept payment for your labor in cash.
- It is illegal to send cash to someone in a foreign country.
- It is illegal to give cash to a son or daughter.
- It is illegal to beg for cash on freeway off-ramps.

The answer to all five questions is TRUE. Or maybe the answers are FALSE. It really just depends on the circumstances and that's when knowledge of the law, judgement, and ethics comes into play.

Sure, you can buy a hot dog at a Chargers game and pay cash (lots of it). Have you ever been tipped as a waiter/waitress with a five dollar bill? Residents have been wiring money to Mexico, Canada, and other countries via Western Union for decades. And when was the last time you gave your teenage son or daughter a twenty to go to the movies?

The Conundrum. As an employer, you know it's cheaper to pay a worker in cash instead of adding them to your payroll system and cutting them a check. Paying in cash saves you from paying Employer Social Security Taxes, Unemployment Taxes, Workers Compensation Taxes, Health Insurance, and so on. Illegal but you rationalize that our Federal Government will never miss your payments.

That, and the feeling that California's Workers Comp system is paying unsubstantiated claims to California employees.

As a food server, you must report your tips. But do you report 100% of them? It's been said that some of those people begging for money on off-ramps and city intersections pull in more than a \$1,000 a week, tax free!

Fighting Fraud. San Diego's Insurance Fraud Division (IFD) started a Premium Fraud Task Force in 1996 to investigate and prosecute workers' compensation premium fraud and tax evasion.

Premium fraud involves employers falsifying business records to reduce their workers' compensation insurance premium, thereby gaining an unfair business advantage over law abiding competitors. Premium defrauders often also fail to pay proper taxes.

Members of the task force include representatives from: the Labor Commissioners Office, Employment Development Department, Franchise Tax Board, California Department of Insurance (CDI); State Contractors' Licensing Board, Bureau of Automotive Repair, and the District Attorney's Office.

Student Night. The School of Business and Management is proud to host the IMA Student Night at the Spectrum on October 14th. Students from National University, SDSU, UCSD, & USD are all welcome to attend. See registration information on the next page.

Director of Community Relations, **Jesse Navarro**, will provide an overview of the San Diego County District Attorney's Office.

Thereafter, Deputy District Attorney **Dominic Dugo**, Chief of the Insurance Fraud Division, will discuss Workers' Compensation Premium Fraud and Tax Evasion within the Underground Economy. Fraudulent scams occurring in California will be identified along with law enforcement's approach to attacking these multi-billion dollar crimes.

Who's the victim of your crime? Everyone is...your neighbor, your local city government, people confined to wheelchairs, your parents, me. There's no such thing as a victimless crime.

IMA Student Night at the Spectrum
October 14, 2013, 5:30 PM

**The Underground Economy
Insurance Fraud
Victimless Crimes**

Refreshments will be served but you must RSVP at www.imasd.org at least 3 days prior to the meeting. **Seating is limited!**



Taking the Mystery out of Obamacare - What Employers Really Need to Know

September 12th: Shawn Pynes of Barney & Barney will be discussing the Affordable Care Act at the next chapter meeting beginning at 5:30 PM.

Effective Budgeting

September 18th: Please join us to hear from Gregg Landers of CBIZ the tips on effective budgeting, how to enhance shareholder value, budgeting best practices and the pitfalls to avoid. Budgeting is an important planning tool when prepared correctly.

This is a two hour lunch meeting.

Valuation and Impairment

October 16th: Please join us as expert Cary Potter speaks about Valuation and Impairment (definition, process, and key inputs to determining value and impairment). The presentation will include a detailed look at the Qualitative Analysis (Step 0) and the inputs to the three approaches to valuation.

This is a two hour lunch meeting.

RSVP at www.imasd.org at least 3 days prior to the meeting

Improve Your Test Scores

Students, as well as adults, are always being tested either in the classroom or the workplace. Here's an idea from Scientific American magazine (August 13, 2013) that will improve your scores without studying any harder.

"There seems to be a simple way to instantly increase a person's level of general knowledge. Psychologists Ulrich Weger and Stephen Loughnan recently asked two groups of people to answer questions. People in one group were told that before each question, the answer would be briefly flashed on their screens — too quickly to consciously perceive, but slow enough for their unconscious to take it in. The other group was told that the flashes simply signaled the next question. In fact, for both groups, a random string of letters, not the answers, was flashed. But, remarkably, the people who thought the answers were flashed did better on the test. Expecting to know the answers made people more likely to get the answers right."

Analysis Using Excel

An online Advanced Excel webinar was held on Tuesday, August 6. Miss the webinar? Catch the video at www.AccountingCircle.org. Guaranteed to show you some new tricks and techniques.

Meet the Firms Week

CalCPA has teamed up with CollegeFrog to get your resume in front of dozens/hundreds/thousands of companies looking for qualified candidates. But you must act by Sept. 20th. Visit: <http://calcpa.meetthefirm-week.com/>

Looking for a Job?

Try these resources:

CalCPA:
<http://www.CalCPA.org/classifieds/public/search.aspx>

IMA San Diego:
<http://IMASD.org/jobs>

Indeed claims over 21,000 accounting jobs:
wwwIndeed.com



YEP Meeting Scheduled

SD Young Emerging Professionals (YEP) Networking
Date: September 27, 2013
Event Start time: 5:30 PM End time: 8:30 PM
Facility: Sheraton San Diego Hotel Mission Valley

Don't miss the opportunity to sharpen your "soft skills" as well as gain valuable insight from experienced members during this networking event featuring our version of "speed mentoring". Enjoy hors d'oeuvres and drinks at the Sheraton San Diego Hotel Mission Valley while networking with individuals representing firms throughout San Diego county including the Big Four. Since space is limited for this popular evening event sponsored by Becker CPA Review, be sure to register now!

Objectives: Fun and professional growth!

Designed For: Emerging professionals and other chapter members interested in networking, having fun, and getting useful advice.

Event Notes: The \$25 fee includes a drink ticket, appetizers, and complimentary self-parking. We are meeting in the Windsor room just off of the main lobby area. The hotel is located off of the access road on the south side of I-8. Parking is available on the east side of the hotel.

Register at CalCPA.org, event code K2190913.

17th Annual Tax and Accounting Institute

The 17th Annual San Diego Tax and Accounting Institute—the region's premier opportunity for tax professionals to hear the recent developments in federal, state and local tax and accounting issues—will be Nov. 20-22.

You'll get to choose from several breakout sessions focused mainly on tax or accounting, plus general sessions and keynote speakers. Stay current with timely updates on tax legislation as well as the impact to firms and clients. Keep an eye out for further details as we get closer to the event.

Interviewing Techniques

There are dozens of resume builder web sites and many sites suggest doing your homework prior to the interview. After years of "homework", how do you really know how to prepare?

Well, by the mere fact that you're receiving this newsletter, you're most likely in the accounting field and looking for employment in that area. What do accountants do? They may prepare financial statements or, at least, ought to know how to read them. They might also get involved in internal controls or project management. So when doing your Google search, look for what's important to somebody in our industry.

Look at the company's web site and annual report with a critical eye. Calculate the common financial ratios and compare them to a competitor and the industry. Maybe even perform a common size analysis. (You do remember how to do that.)

Drill down into their 10K report and focus on revenues, expenses, profits, and other trends. Study the accompanying notes for clues about their problems or successes.

When getting into the Q & A of the interview, ask some detailed questions such as "What happened in 2012 that caused the profit decrease of 20%. What actions are you taking to correct the situation?" If it's related to cost overruns, for example, you can tell them you earned an "A-" in Cost Accounting and can definitely help in that area.

Don't oversell yourself but be sure to blow your horn when appropriate.

Student Resources

Students can join CalCPA for FREE and utilize specific member resources, all intended to help launch a CPA career.

As a CalCPA student member you'll have access to:

- Finding Jobs and Posting Your Resume
- Members-only resources to help you become a CPA
- Exclusive discounts on CPA Exam Review courses
- Cash Scholarships
- Webcasts just for YOU
- Electronic California CPA magazine subscription
- Represent CalCPA on your campus
- Networking opportunities with more than 40,000 members throughout the state

2014 California CPA Requirements

Are you headed for the Public Accounting world? Additional semester hours will be necessary beginning next year. The California Board of Accountancy has created a web page to help steer you through the maze of educational requirements: <http://www.dca.ca.gov/cba/applicants/self-assess.shtml>.

Demand for Accounting Grads Reaches All-time High

A new study examining supply and demand trends in accounting found that the profession is thriving—with college enrollments, degrees awarded, and demand for new accounting graduates all reaching all-time highs.

CPA firms hired 40,350 new accounting graduates last year, including 23,793 graduates with bachelor's degrees and 16,557 with master's degrees, according to the AICPA survey. The previous high recorded in the survey was 36,112 in 2007. Hiring fell off during the recession but began to recover in 2010 when 33,321 new grads were hired.

- Journal of Accountancy, June 19, 2013

The Journal *Entry*

Welcome to the current edition of the Journal *Entry*. What better name for a publication (journal) for students and practitioners in the accounting industry?

Here, you will find topics of interest whether you're just beginning your studies or are an old pro. Here, you will meet one another and swap stories of what this big, bad world is all about. Here, you might find a mentor or someone to mentor. Both, satisfying engagements.

Take a few minutes to peruse our, make that *your*, journal. Need more information? Go to www.AccountingCircle.org. Need advice? Join our private LinkedIn group and ask the community. Got something to share? Send us a few paragraphs for publication.

The Closing Entry

We hope you enjoyed reading this latest Journal *Entry* and trust that you found something new to help your learning and your career.

Remember, this journal exists for your benefit. We welcome contributions and suggestions for future articles. Send to: TFrancl@nu.edu.



Recurring Entries

www.AccountingCircle.org
www.CalCPA.org
www.IMANet.org
www.IMASD.org
www.dca.ca.gov/cba, Calif. Board of Accountancy
www.AccountingDay.org
www.CPAJournal.com
www.CPAFirms.com, Directory
www.AccountingJobsToday.com, Employment
www.gcfLearnFree.org/topics, Online lessons
www.nysscpa.org/glossary, Terminology
www.AccountingCoach.com, Dictionary
www.Ted.com, Ideas worth spreading

The Journal *Entry*

is a publication of The Accounting Circle. The School of Business and Management Administration has reviewed the content of this publication.

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