



Volume 57

Issue 1

MEMBERSHIP MEETING

Student Information Night & Scholarship Presentation

Tuesday - September 16, 2003

Offices of Hobe & Lucas CPAs

Independence Place

4807 Rockside Road - West off I-77

(Building is in the woods, driveway just beyond St. Lawrence Cemetery)
Independence, OH 44131

5:00 pm social, 6:00 pm dinner

\$6.00/members & students - \$10.00/guests - Deli sandwich, drink & cookie

Scholarship recipients as well as other students, guests, instructors
and student advisors are invited to attend

Please RSVP to Ilona Daw-Krizman @ (216) 875 - 6286 or DAW@Ferro.com
by Wednesday, September 10, 2003 - Vegetarians need to advise.

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PRESIDENT'S MESSAGE

Once again, we have a New Year! Yes, it is that time of the year! This fiscal year promises to be better than the last several years. We are enjoying a cool summer, and working hard with planning for this year's activities. We are in a stage similar to the Indians baseball team—planning, rebuilding, learning and working together as a team. The Akron/Canton Chapter's schedule is usually one month ahead of the Cleveland Chapter's, so they are batting first.

During the course of the summer, we learned that the current host for our Web Site, Cleveland Live's Community Connection, will be discontinuing services effective November 30th. **Tricia Teribery**, our Membership Chair, suggests that we use this opportunity for an interested student to earn credit while benefiting us with his/her research and technological resources. We are looking for a win-win situation by advancing the runner.

There are plenty of opportunities for membership to participate in. The positions available include and are not limited to: Program Chair (**Ilona Daw-Krizman** is Pro Temp), CPE Reporting, and Web Site. Other projects and Committees include Bylaws, Education & Legislation, Hospitality, Publicity, Public Relations, Season's Greeting Cards and Student Activities. I have brief descriptions. Please come up to the plate and inquire! Our Scholarship Chair, Ilona Daw-Krizman, has started a new fundraiser to replenish the Chapter's Scholarship Fund, for 2003 – 2004's cash award. The Entertainment Books are on sale for \$25 prior to December 8th, when the price increases to \$30. The coupons can be used right away and are valid through December 31, 2004. Each book sold nets a profit of \$8. The Akron/Canton Chapter uses a similar fundraiser for their Scholarship Fund. We are currently accepting pre-orders and delivering some of the books at the September meeting. As of this writing, we appear to be having a good at-bat.

School is also gearing up at the same time! We are taking advantage of the various Scholarships that ASWA has to offer. They include and are not limited to:

- Chapter's Cash Scholarship
- Chapter's CPA Review Course Scholarship from Becker Conviser
- National's Laurels Fund
- National's Women in Transition
- National's Women in Need

We are presenting information about them and ASWA to students, advisors, and instructors at the September 16 Membership and Board meeting. We are also awarding two \$1,000 Scholarships at the meeting. Please come, share your experiences and leadership with the rookies, and continue to learn more about ASWA and the Cleveland Chapter! Ilona and I hope to advise you of a home run with regard to the Chapter's future and activities with OSCP.

Sunny Shellito

ASWA BYLAW PROPOSALS 2003 Annual Meeting

Proposed Amendment #1 – from the Birmingham Chapter

Proposed Amendment to Article III - Members

Current Bylaw

Article III Members
Section 2

Amendment #1 Amend Article III. Section 2 by striking the words “the chapter board of directors, where applicable, and”

2. Application for membership shall be signed by a member of the Society. Application for membership and reclassification shall be approved by the chapter board of directors, where applicable, and the national board of directors.

Proposed Amendment

Article III Members
Section 2

2. *Application for membership shall be signed by a member of the Society. Application for membership and reclassification shall be approved by the national board of directors*

Rationale: The current bylaws provide for the chapter board of directors to approve the application of a proposed member. This situation has caused some chapter boards to disapprove an application for membership due to their job title or employer. This is a violation of ASWA National Bylaws and might subject the offending chapter and the National organization to litigation. Such litigation could result in the financial ruin and demise of ASWA. As a not-for-profit organization, ASWA functions under IRS regulations as a 501c(6) corporation. A lawsuit filed against ASWA might also result in the loss of our not-for-profit status

*If an individual meets the requirements based upon interest, education, work experience or licensing, that individual is entitled to **ALL** the rights and privileges of any other ASWA member in the membership class. We **do not** discriminate based on racial, religious, gender or career background. If an individual falls into a category stated in our bylaws then that individual **can** become a member of ASWA, unless they have committed an act unbecoming a member of the community or their profession.*

This amendment is crucial to the financial health and protection of ASWA at the National and local levels.

ASWA BYLAW PROPOSALS 2003 Annual Meeting

Proposed Amendment #2 – from the San Antonio Chapter

Proposed Amendment to Article V - Officers

Current Bylaw

Article V Officers

Section 1.

Amendment #2 Amend V Section 1 by striking the words "Two directors shall be elected by the Chapter Presidents' Council."

b. The officers of the Society shall be a president, a president-elect, one to three vice presidents, a secretary, a treasurer, the immediate past president, and eight directors. Two directors shall be elected by the Chapter Presidents' Council. The number of vice presidents shall be determined by the board of directors and reported to the Nominating Committee prior to the annual meeting. These officers shall perform the duties prescribed by these bylaws, the standing rules, and parliamentary authority adopted by the Society.

Proposed Amendment

Article V Officers

Section 1.

b The officers of the Society shall be a president, a president-elect, one to three vice presidents, a secretary, a treasurer, the immediate past president, and eight directors. The number of vice presidents shall be determined by the board of directors and reported to the Nominating Committee prior to the annual meeting. These officers shall perform the duties prescribed by these bylaws, the standing rules, and parliamentary authority adopted by the Society.

Rationale:

The Election of the Society's National Officers and Directors is an important task of the society's membership.

The nominating committee is the current process used for slating and electing of the executive committee and six of our directors. The nominating committee meets for three to four days during our national conference and conducts structured interviews with potential national board candidates. The Nominating committee also has time for follow up interviews and conferences among the committee subsequent to the national conference up until the time that the nominations are presented to the chapters' presidents and secretaries on December 2 of each year. The Nominating committee is a structured committee with guidelines for interviews and the selection process. The Nominating committee is a time commitment for the members elected to the committee.

The Chapter Presidents' Council (CPC) currently has the opportunity to meet in person one time each year, at the national convention. The CPC has in the past couple of years had time for two meetings sometime during the convention. During that short period of time they are finishing business and committee reports from the prior year, they are conducting elections for the CPC officers, they are setting committees and goals for the upcoming year, as well as any other CPC business. They also are required by our national bylaws to elect a director to our National board of directors each year. Not much time is available to accomplish this task, and members of the CPC may have to vote and elect a director to the national board without much information. The CPC has a lot of responsibilities, and a short amount of time in person to accomplish these tasks.

This bylaws proposal will allow the CPC to be relieved of one responsibility, that of electing national directors to the national board. This could also lead to the CPC having the opportunity to change their structure to something less formal, or to expand their discussions to a chapter exchange type of process or structure.

ASWA BYLAW PROPOSALS 2003 Annual Meeting**Proposed Amendment #2 – from the San Antonio Chapter
(Continued)**

Up until Fall 2000, the nominating committee slated and presented for elections the full slated board of directors. This process has worked in the past, and encompassing eight directors instead of six directors into the process would not be over burdensome for the nominating committee.

This would be the proposed Proviso for the bylaws if Amendment #2 is approved.

Provisos:**To Article V, Officers, Section 1**

For the fiscal year 2004-2005, the Chapter Presidents' Council shall elect one director, as the current bylaw states. Beginning with the 2005-2006 fiscal year all directors will be slated and presented for election by the nominating committee.

Therefore, sometime during the 2003 convention, the Chapter President's Council shall elect one director to take office July 1, 2004.

To: ASWA Cleveland Chapter Members and Guests

From: Ilona K. Daw-Krizman, Program Chair Pro Temp and Scholarship Chair

Date: July 28, 2003

Re: ASWA Cleveland Chapter 2003-2004 Schedule

Below is a summary of the ASWA Cleveland chapter 2003-2004 meetings. Not all meeting locations have been confirmed and topics are tentative. The Program Committee will work with various contacts to confirm locations, speakers and provide more details for the Cleveland Chapter's monthly newsletters.

If you do or do not want to be included in notifications, please call me at 216/875-6286 or send an e-mail to Daw@Ferro.com asking to remove your name from our distribution list or add your e-mail to our distribution list.

No meeting in August. Scholarship winners will be announced in August 2003.

September 16, 2003

Topic - Student Information Night and Scholarship Awards
Recipients as well as other students, guests, instructors and student
Advisors are invited to attend.

Location:

Hobe & Lucas CPAs

Independence Place

4807 Rockside Road

Independence, OH 44131

Meeting Held from 5-8 PM

RSVP by Wednesday September 10th to Ilona Daw-Krizman 216/875-6286 or Daw@Ferro.com

FYI -

ASWA Annual Conference

September 24-26, 2003

63rd Annual Conference

Paradise Point Resort & Spa

San Diego, California

October 21, 2003

Topic - Personal Development

November 18, 2003

Topic - Taxes or SEC - Advising (Sarbanes-Oxley, Compliance, or other)

December 12, 2003

Holiday Party - Dinner and an Evening Out

Dinner at restaurant West 6th area, dance club or comedy club

Requires member input early November prior to making commitment.

January 20, 2004

February 17, 2004

March 16, 2004

April 20, 2004

May 18, 2004

Topics - Regional Economics, Banking, Human Resources, Inventory Controls, Investment Fraud, Identity Theft

June 15, 2004

Officer Installation

Business we are trying to contact for the topics - Federal Reserve Bank of Cleveland, American Greetings, Malley's Chocolates, FBI and IRS

If you have contacts you can share for the above-mentioned businesses or other companies that may be of assistance, please forward the information. (Days at 216/875-6286, Daw@Ferro.com or Evenings at 440/285-3733, ikdk1@msn.com)

THE 2003 TAX ACT—LET THE PLANNING BEGIN

By Jack F. Gilmore, CPA

The 2003 Tax Act, formally known as the Jobs and Growth Tax Relief Reconciliation Act, was signed by President Bush on May 28 and is already old news to the community of professional advisors including CPAs, attorneys and financial planners among others. Now begins the task of reviewing its impact on existing plans and strategies as well as developing new ones.

Not only does the new act accelerate tax cuts already scheduled for later years but adds changes that affect almost everybody and most businesses, too. As a quick overview, the more significant provisions of this new act are:

- Lower individual marginal tax rates;
- Lower taxes on both capital gains and stock dividends;
- Increase in the child tax credit,
- Marriage penalty relief;
- Expansion of the 10 percent tax bracket;
- Alternative minimum tax relief;
- Quadrupling of the amount certain businesses can elect to expense for the purchase of "qualified property"; and
- Increase in the first year "bonus" depreciation for businesses.

Some of these benefits require little or no planning. Income tax withholding, rate bracket changes, marriage penalty relief and the increased child tax credit will be either reflected in increased paychecks received after July 1 or built into the year end tax calculation.

Other changes create opportunities for planning. The lower tax rate on dividends is retroactive to the beginning of the year as are other favorable changes such as the rate reductions and tax bracket changes. Planning for retroactive changes becomes even more important as more than half of the year is already behind us.

Let's look at some of the areas that will likely need planning attention.

Estimated Taxes—2003 estimated payments based on an expected level of withheld tax might need to be revised to take into account reduced withholding.

S Corporations—Pre-S Corporation earnings and profits that are currently "locked in" might be distributed now with substantially reduced tax cost for the shareholders.

C Corporations—Shareholder-employees may choose to trade off some of their current compensation taxed at high rates for dividends to be paid from accumulated earnings and profits taxed at the lower rates on dividends.

Tax-Deferred Retirement Accounts—Investments held in 401(k), SEP, Keogh and traditional IRAs will not benefit from the lower tax rates for capital gains and dividends. However, plan benefits may be taxed at a much higher rate when distributed making continued deferrals less advantageous in some limited situations.

Individuals—Shifting income to children over 13 or to other family members with lower tax brackets can be used to maximize the benefits from rate and bracket reductions.

Dividends that are included in the calculation of investment income in order to deduct investment interest do not qualify for the new, lower rate. Short-term capital gains or other investment income might be generated to compensate for electing not to include dividends in this calculation.

Investors—Holding periods must be carefully considered before sales are made so the lower long-term capital gain rate is available where practical instead of potentially higher rates applicable to ordinary income.

Businesses—Proposed capital expenditures need to be evaluated in light of the new bonus depreciation and increased expensing rules.

This new tax act has jobs creation as a goal. As far as creating work for professional tax and financial planning advisors is concerned, it has been a resounding success!

(Reprinted from The CPA Advisor, Summer 2003)

OHIO ACCOUNTING SHOW

The Ohio Society of CPAs' most popular event of the year will be at the **I-X Center (Cleveland) on September 17-18, 2003**. One can earn 16 CPEs in two days, with 88 sessions to choose from. Cost is \$354 for non-members and \$229 for Society members. OSCPA is the only organization who currently sponsors the new 3-credit ethics requirement for those licensees renewing in 2004 or later.



Financial Planning Analyst
National City Corporation
Cleveland, Ohio

Job Description:

National City Corporation seeks a professional to serve as a Financial Planning Analyst in Cleveland. The Financial Planning Analyst will be responsible for timely completion of comprehensive financial, estate and income tax planning for corporate executive clients. Supervised by Financial Consultants, the Financial Planning Analyst also assists with key elements of the planning process, answers questions related to planning services and prepares reports. Continued professional development is required, with training sponsored by National City Corporation. Excellent communication skills necessary.

Educational Requirements:

Bachelor's degree required. CFP or CPA candidate preferred.

Computer Requirements:

Competence with Excel and Word is required.

Company Description: National City Corporation, with over \$100 billion in assets, is a diversified financial services company based in Cleveland, Ohio. National City operates banks and other financial services subsidiaries principally in Ohio.

Benefits: Medical, Dental, Life, Holidays, Vacation, 401K, Retirement Plan, Profit Sharing, Paid Time Off, Tuition Reimbursement

Contact Information

Contact: Sheila Hammar
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SCHEDULE OF EVENTS:

September 9, 2003	Akron ASWA Membership Meeting Luncheon at Lolli's Restaurant, Belden Village area) Speaker from Sequoia Financial Group
September 16, 2003	Cleveland ASWA Membership Meeting Student & Scholarship Presentation Hobe & Lucas CPAs Independence, OH
September 17-18, 2003	Ohio Accounting Show (OSCPA) I-X Center, Cleveland, OH
September 24-26, 2003	Annual Meeting & Conference Paradise Point Resort & Spa San Diego, CA

American Society of Women Accountants

Denise T. Brock, CPA
2184 Green Ridge Drive
Wickliffe, OH 44092-2011