

**Special Interest Articles:**

- Fed Reserve Bank of Cleveland: Highlights, Part 2
- Bill would let Snowbirds stay longer in Ohio
- Technology Tip: Using VLOOKUP to do Bank Reconciliations
- Grocers' suit: CAT violates Constitution
- Accounting Jokes to beat the Tax Blues (Continued)
- New Tax Form 944 for Small Businesses
- Sandra G. Emerling Obit

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## Mary Kay Night, Wednesday, April 19, 2006

Ladies, we all work hard and are continually looking for ways to look our best. And, if you've heard of Mary Kay Cosmetics and always wanted to try it for free, here's your chance! Join us for our next meeting, Wednesday, April 19<sup>th</sup>, at 6 PM, for a class in proper skin care and an introduction to Mary Kay glamour cosmetics. **Two (2) Personal Dev'l CPEs are available.** Location is Mary Kay Business Center, 836 Broadway,

Bedford, OH 44146.

Please RSVP by Monday, April 10<sup>th</sup>, 2006, to Kathy Novak, at 216.536.5005 or [knovak@texcelinc.net](mailto:knovak@texcelinc.net). \$10 for dinner (sandwich tray & drinks) will be billed if not cancelled by then.

If you make your RSVP before then, you will receive a 50% discount off dinner! But, you must mail in a check for \$5 BEFORE April 10<sup>th</sup>, payable to Kathy Novak, and mail it to her at 12217 Thraves Ave., Cleveland,

OH 44125.

**Official National Registry Statement:** ASWA is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State Boards of Accountancy have the final authority on the acceptance of individual courses of CPA credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors: 150 Fourth Avenue, Nashville, TN, 37219-2417. Web site: <http://www.nasba.org/>.

## Dress for Success suits up 10,000<sup>th</sup> local client

After eight years, the Cleveland chapter of the international organization that assists low-income women, Dress for Success, recently dressed its 10,000<sup>th</sup> client. The only other chapters that have dressed as many women stepping into the work force are in Houston, Los Angeles, St. Louis and New York City.

The national Dress for Success organization kicks off its Send One Suit week, which began March 19<sup>th</sup>. This is also a good time to make a cash donation to Dress for

Success, so that the ladies can buy accessories for all those suits that are coming in.

Dress Barn shops are the national drop-off site during S.O.S. week; bring in donations any day. This is Dress Barn's fourth year in the suit drive. In that time, the national retailer has collected 60K donated suits, and donated 16K new suits.

Dress Barn is not accepting cash or checks. Financial donations should be sent to Dress for Success Cleveland,

Suits to Self-Sufficiency, 2230 East 55<sup>th</sup> St., Cleveland, OH 44103.

Other national S.O.S. sponsors are Style Network, a subsidiary of E! Entertainment Television, and Viactiv, makers of the soft calcium chews. Contributors who bring donations to Dress Barn will receive a gift from all three sponsors.

For more information about Dress for Success, go to [www.dressforsuccess.com](http://www.dressforsuccess.com).

Source: *The Plain Dealer*, March 15, 2006, page E4. Roxanne Washington, reporter.

## Speakers' Bios: Kathy Novak and Marilyn Koci



Our meeting will be hosted by our Scholarship Chair, Kathy Novak. Kathy recently became a new Mary Kay Consultant. She is also an Accountant for Texcel, Inc. located in Beachwood and will soon become a new mother to an adopted baby girl from Guatemala!

In the U.S., Mary Kay is once again the best-selling brand in the combined categories of

facial skin care and color cosmetics.

Kathy will be giving free facials and glamour makeup to each attendee. Her Director, Marilyn Koci, will be speaking on valuable tips on how to get healthier, younger and more radiant skin and keep it that way.

Marilyn has been with Mary Kay for 15 years,

a Director for 10 years and is now a Senior Sales Director.

The company philosophy is God first, family second, career third and continues to be run that way today.

Great looking beauty starts with great looking skin! Watch, listen and learn how to be beautiful, and...

EXPECT A MIRACLE!



## President's Message

The Comedy Show on March 22 was a success! A total of 28 persons attended. Catherine Feola made it a practical family reunion. Jenny Earley brought lovely plants and candles from Amish country, and made lovely, pastel-colored centerpieces and party favors with them.

Thanks for organizing the show, Jenny! Thanks for your support, Catherine!

IMA Cleveland (West) plans on contracting Mary Faktor, the actress, to perform at a future date.

What a great way to welcome Spring! Spring is my favorite season, as are the pastel colors associated with Spring!

I hope you will join me for Mary Kay night on April 19 and find out what's new for Spring! There will be a 15-minute business

session; please arrive by 6 PM so that we can start promptly.

If I do not see you then, have a blessed and safe Passover and Easter holidays!



## Slate of Chapter Officers for 2006 - 2007

Volunteers for the 2006-2007 Officers and Committee Chairs are:

- President: Jenny Earley
- Vice President: Kathy Novak
- Secretary: **OPEN**
- Treasurer: **OPEN**
- Membership: Donna

Sakony

- Program/CPE: Margaret Skinder
- Scholarship: Melissa Marvin
- Newsletter: Carrie Benedict
- Web site: Sunny Shellito
- We need to advise

National info regarding our next President and Treasurer by April 28; our remaining Officers and Committee Chairs by May 19.

If interested in chairing, or co-chairing, for a position, please contact Jenny Earley. Thank you!

## The Federal Reserve Bank of Cleveland: Highlights, Part 2 of 3

Walter & Weeks, the architecture firm famous for such Cleveland landmarks as the Public Library and Severance Hall, spent 13 months producing nearly 1,000 sketches and 1,924 blueprints prior to construction of the Fed.

At one time, Lake Erie's shoreline had extended as far south as Euclid Avenue in Public Square. To ensure a solid foundation for the bank, over 600 concrete-filled tubular pillars were placed 50 feet below street level to help the bank remain stable. The building has shifted only 1/16<sup>th</sup> of an inch since

it was constructed.

Mob goons and other would-be-bank robbers were of great concern, so an elaborate security system was devised by Bryon Dalton, a partner at Walter & Weeks. The system had 21 vaults, armed-guard stations, secret passages, hidden observation windows and gun turrets. There has never been a robbery attempt.

NYC-based sculptor Henry Hering created the three statues outside the Fed – “Security” and “Integrity on East Sixth Street and “Energy in Repose” on Superior Avenue.

Gun turrets were once concealed in the three statues outside the Fed's main entrances. The statues could accommodate two guards with small cannons and machine guns. There were also hidden gun ports in other areas of the bank, including underneath the East Sixth Street steps.

The Fed's main building houses a private shooting range on the top floor to ensure that the bank's army of guards remains expert marksmen.

Source: Cleveland's *Northern Ohio Live*, November 2005, page 40.



## Bill would let Snowbirds stay longer in Ohio

The House of Reps. cleared a bill that would allow Ohio retirees who flee to winter homes in Florida and elsewhere to spend more time back in Ohio without jeopardizing their Ohio tax exemption.

Supporters say the current law is causing the state to lose out on millions of dollars in consumer spending and charitable donations as former full-time residents take their wealth elsewhere.

The legislation, House Bill 73, has received considerable support from former Clevelanders who have heard about it.

“There's a lot of talk about it down here,” said James Delaney, a former Cleveland partner with the Deloitte & Touche accounting firm, who calls his new hometown of Naples, Fla., “Little Cleveland” due to the large number of Clevelanders there.

H.B. 73 would extend to 183 days from the current 120 days the threshold that determines whether someone is an Ohio resident and is subject to Ohio taxation. Days that include certain activities, such as attending charitable events, would not be counted as days in

residence in Ohio.

Under current law, which has been in place since 1993, someone who during a calendar year spends less than 120 days in Ohio (not including doctor's visits or attending funerals) is considered a nonresident and doesn't pay Ohio taxes. If a taxpayer stays longer than 120 days and Ohio's Dept. of Taxation challenges a claim of nonresidency, it is up to the taxpayer to document that he or she is not an Ohio resident.

Sources: *Crain's Cleveland Business*, Feb. 13-19, 2006, pages 1 & 23, and Cleveland's *TPD*, Mar. 22, 2006, page Metro Section, B3. Jay Miller & Reginald Fields, reporters.

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## Technology Tip: Using VLOOKUP to do Bank Reconciliations

Download the checks that were paid for the month from the bank's Web site into Excel, onto a blank sheet. Sort them by check number and list them in columns A (the check number) and B (the amount).

Copy the checks outstanding from last month, put them together with the checks issued

for this month and place them in columns C (the check number) and D (the amount).

In column E use the formula VLOOKUP. It will return the check amount if the check cleared or a "N/A" if the check has not.

In column F do a simple subtraction formula, of the amount in column D less the amount in E. This will

return a zero if there was no encoding error. If there is an amount, then the check was cashed for a different amount than it was written for. Finally, it is an easy sort, cut and paste to the bank reconciliation sheet of those checks with an "N/A" in column E.

<http://www.aicpa.org/pubs/jofa/mar2006/letters.htm>

## ASWA Adopt-a-Member Campaign Update

Monika Miles, CPA, ASWA National Director & Disaster Fund Liaison and Laura Skoff, CAE, ASWA Executive Director, give their thanks to the chapters that have pledged to support the "Adopt-a-Member" campaign for members of the New Orleans Chapter.

Chapters from around the

country have pledged to support one or more New Orleans Chapter members by paying their dues for the 2006-07 fiscal year.

In total, ASWA has received pledges from over 35 chapters and individuals, totaling 50 pledges. In order to cover all chapter members, the goal was to receive 75

pledges.

If someone is interested in sponsoring a New Orleans Chapter member, contact Monika via email at [monika@labhartmiles.com](mailto:monika@labhartmiles.com) or Headquarters via email at [aswa@aswa.org](mailto:aswa@aswa.org) or by phone at 703-506-3265.

Membership renewal for 2006-07 will begin shortly.

Source: 3/27/06 e-mail.

*"In total, ASWA has received a total of 50 pledges to support the "Adopt-a-Member" campaign. The goal was to receive 75 pledges."*

## Grocers' suit: CAT violates Ohio Constitution

Some Ohio grocers already fed up with the state's new commercial activity tax (CAT) have filed a lawsuit in a Columbus court charging that the tax is unconstitutional.

The Ohio Grocers Association, which represents 400 member companies, filed the complaint Feb. 17 in Franklin County Court of Common Pleas. The lawsuit charges that the new tax violates an article

in the Ohio Constitution that prohibits any excise tax on the sale or purchase of food that is consumed outside the business' premises.

The association insists the CAT will hurt business-to-business sales when companies raise prices to cover their tax bills. Distributors will pass along the additional tax to retailers, who in turn will tack on their added costs to the final price of a product.

Ohio Grocers Association spokesman Jason Wetzel said the association believes the portion of its members' revenues derived from food sales should be exempt from the CAT. Revenues from sales of items such as alcohol, vitamins and dog food still would be subject to the CAT.

Source: *Crain's Cleveland Business*, Feb. 27 – Mar. 5, 2006, pages 1 & 23. David Bennett, reporter.

*"Some Ohio grocers already fed up with the state's new commercial activity tax (CAT) have filed a lawsuit ..."*

## Some Accounting Jokes to beat the Tax Blues (What the IRS Doesn't Want You to Know) – Part 4

Q. What is the difference between a terrorist and a tax inspector? A. You can negotiate with a terrorist.

Q. What has lots of arms and legs? A. A happy and successful tax inspector.

Q. What's the difference between a tax adviser and an angry bull? A. The tax adviser charges more.

Due to taxation, politicians find it increasingly difficult to reconcile their net incomes with their gross habits.

For every tax problem there is a solution which is straightforward, uncomplicated and wrong.

Where there's a will there's a tax shelter.

I don't have a tax solution, but I admire the problem

Is a clergyman's tax return full of "nones"?

Golf is a lot like taxes -- you drive hard to get to the green and then wind up in the hole.

America is the land of opportunity. Everybody can become a taxpayer.

It's hard to believe America was founded to avoid high taxation.

Americans are now in a daze from intoxication.

We often wonder if automation will ever

replace the taxpayer.

The tax collectors take up so much of your earnings to balance the budget that you just can't budget the balance.

Capital Punishment: Congress comes up with a new tax.

Drive carefully. Uncle Sam needs every taxpayer he can get.

Children may be deductible, but they are still taxing.

There is no child so bad that he/she can't be used as an income tax deduction.

Isn't it appropriate that the month of the tax begins with April Fool's Day, and ends with "May Day!"?

Source:

<http://www.taxgaga.com/pages/c-taxhaha/dir-humor.html>.



## New Tax Form 944 will reduce IRS paperwork for some Small Businesses

Recently, the IRS announced new rules that will require certain small employers to file Form 941, the Employer's Federal Tax Return, on an annual, rather than quarterly, basis.

Those businesses will file the new Form 944, the Employer's Annual Federal Tax Return, beginning this year.

Generally, an employer will use Form 944 if its estimated employment taxes (that is, the sum of the income tax withheld from employees plus FICA contributions) will not exceed \$1K for the tax year. The IRS will notify

those taxpayers who will be required to use Form 944.

Employers who think they should be eligible for annual reporting but do not receive this notice should contact the IRS to determine their eligibility. New employers should indicate on Form SS-4 (filed to obtain an employer identification number) whether they expect to have more than \$1K in employment taxes.

If an employer is allowed to report employment taxes annually on Form 944, the employer is required to file the annual form by Jan. 31 of the next

year. In some cases, an employer will file a Form 944 even if its actual employment tax liability exceeds \$1K. The employer would be required to file Form 941 in the next year.

If a Form 944 filer discovers an error on a previously filed Form 941, the IRS has stated that the error should be corrected using the Form 944 for the year in which the error is discovered, with a Form 941c attached to that return.

Source: *Crain's Cleveland Business*, March 13 – 19, 2006, page 15. Mr. Carlgrassi, reporter, is a shareholder and manager of the Business Department of McDonald Hopkins Co., LPA.

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## ASWA Cleveland Chapter #13

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We're on the Web!

See us at:

[www.aswacleveland.org](http://www.aswacleveland.org)

and

[www.aswa.org](http://www.aswa.org)

## Membership Update: Sandra "Sandy" G. Emerling, J.D., CPA

A former Cleveland Chapter scholarship winner and Past President (1992-1993), Sandra "Sandy" G. Emerling, age 48, formerly of Cleveland, died Feb. 18, in Detroit, MI. Sandy was a graduate of Miami University of Ohio and received her law degree

from the Marshall School of law at CSU. Sandy was also a CPA and a tax attorney for General Electric Corp in the corporate law department. Sandra was twice a winner of the prestigious General Electric Stellar Award and very active in charity works. Sandy was a winner of the Tri-State

Pro Bono Award for NY, PA and CT. Sandy is survived by her mother, Muriel and two brothers, Larry and David.

Contributions can be made to the American Cancer Society or the Karmanos Cancer Center, 3990 John R Rd., Detroit, MI 48201.

Source: *The Plain Dealer*, February 19-21, 2006.

## Important Dates to Remember:

**Wednesday, April 17, 2006:** Dinner with IMA Cleve East, Holiday Inn Beachwood. Ashish Goel, Process Improvement, "Managing the Bottom Line," & Jeffrey Bissell, CFO, Jeter Systems Corp., "Contracting – Using and Providing

Services." \$25; RSVP to John Senderak, 440-232-3320.

**Tuesday, April 18, 2006:** Dinner with ASWA Akron/Canton, Triple Crown Restaurant & Lodge, Munroe Falls, 6 PM. Susan Fee, "Dealing with Difficult People" &

chapter scholarship award.

**Wednesday, April 19, 2006:** Dinner & Mary Kay Night with ASWA Cleveland.

**Thursday, April 20, 2006:** Dinner with IMA Cleve West, Holiday Inn Independence. Frank Supocic, Skoda & Minotti, "Identity Theft." \$25; RSVP to Honey Wess, 216-834-0700, ext. 224.

## About ASWA...

The mission of ASWA is to enable women in all accounting and related fields to achieve their full personal, professional and economic potential and to contribute to the

future development of their profession. Members include partners in national, regional and local CPA firms, financial officers, controllers, academicians, financial

analysts and data processing consultants, recent college graduates and women returning to the work force.

Visit [www.aswa.org](http://www.aswa.org) for more information.

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