

# THE PROFESSIONAL PUBLIC ACCOUNTANT



January - February 2010

## IN THIS ISSUE:

*Eleanor Borelli In Memoriam*

*Changes to sales tax rates  
effective January 1, 2010*

*Congratulations*

*Chapter Offices*

## Winter Season



*Backup Does NOT Always  
Equal Data Recovery*

*President's Post*

*Coffee Break*



*2010 PASC Seminar Season*

Published by and for the Members of the Public Accountants Society of Colorado

## The Professional Public Accountant

The Professional Public Accountant Newsletter is published 6 times a year. Scheduled publications are January, March, May, July, September, November.

### Officers and Directors

**President – Ernest B. Kozacek, PA, EA, ABA, ATP**

Office Telephone (303) 238-7930

[ekozacek@aol.com](mailto:ekozacek@aol.com)

**President Elect –**

**Secretary – Robert D. Kuziak, PA, ATP**

Office Telephone (303) 364-0400

[bob@kuziak.org](mailto:bob@kuziak.org)

**Treasurer – Kirit P. Merchant, PA, EA**

Office Telephone (303) 922-5522

[drdac@drdac.com](mailto:drdac@drdac.com)

**NSA State Director – Judy M. Shoemaker, ABA, ATP, ECS**

Office Telephone (719) 660-7778

[judy@coloradoaccountant.net](mailto:judy@coloradoaccountant.net)

### Directors

**Cynthia Ford PA, EA, ABA, ATP, ATA**

Office Telephone (719) 377-6357

[cford@ecentral.com](mailto:cford@ecentral.com)

**Helen Jackson, PA, EA**

Office Telephone (719) 520-9236, ext 705

[helen@yourcfoonline.com](mailto:helen@yourcfoonline.com)

**Leota (Lee) Jensen, PA, ATP**

Office Telephone (303) 841-4544

[ole557@aol.com](mailto:ole557@aol.com)

**Donna Myers, PA, ABA**

Office Telephone (970) 824-8836

[donnasaccounting@yahoo.com](mailto:donnasaccounting@yahoo.com)

Full list available online at [http://www.coloradoaccountant.org/pdf/Officers\\_and\\_Directors.pdf](http://www.coloradoaccountant.org/pdf/Officers_and_Directors.pdf)

If you have pictures, an article, an advertisement or a congratulations that you would like to submit for the next newsletter, please submit it by the 10th of February. Submission is not guarantee of placement.

They can be sent to the editor, Lynette DL Myers, PO Box 1078 Eastlake, CO 80614-1078 or via email [newslettereditor@coloradoaccountant.org](mailto:newslettereditor@coloradoaccountant.org).

## Table Of Contents

- 3 *President's Post*  
*Eleanor Borelli In Memoriam*
- 4 *Backup Does NOT Always Equal Data Recovery*
- 5 *Coffee Break*
- 6 *Changes to sales tax rates effective January 1, 2010*
- 7 *Congratulations*
- 8 *Chapter Offices*
- 9 *Get Your Business on the Web with a New Service for PASC Members*
- 10 *2010 PASC Seminar Season*

COMING SOON TO A COMPUTER NEAR YOU

PASC is redoing their website...look for it in 2010!



Opinions expressed herein are not necessarily those of the PASC Board of Governors or the Society.

Comments and suggestions should be sent to the editor, Lynette DL Myers, PO Box 1078 Eastlake, CO 80614-1078 or via email [newslettereditor@coloradoaccountant.org](mailto:newslettereditor@coloradoaccountant.org).

## President's Post:

### **Greeting to all our members**

*By Ernest Koziak*

It is a new year and hopefully for you and your clients a prosperous, fulfilling and successful time.

The previous year has been an interesting one. We had several excellent seminars and found our attendance to be good. However our convention and board meeting are currently lacking in attendance and this needs to change. As most of you are aware the climate in Washington tends toward regulation, which will most likely occur in 2010. PASC member and current national President of NSA, Bob Cross is our source to keep us informed to the current desires of Congress.

Two members of the Colorado Society of Enrolled Agents thought it was important to get tax return preparers registered in Colorado before IRS issued regulations that required registrations at the national level. These individuals asked PASC to support their program. After a meeting involving members from both societies and our lobbyist to discuss the proposal, we agreed it would be in everyone's best interest to wait for the new regulations from IRS, and then react appropriately. We will keep in touch with COSEA regarding this issue.

I am asking Members, as part of this Society to be involved, our newer younger group would be greatly appreciated. There are several committee positions available, along with the President Elect position.

**Continued on page 4**

## Eleanor Borelli in Memoriam

*By Robert Cross*

Eleanor was the wife of Chester J. Borelli, perhaps the most respected and certainly the most honored Past President of PASC. She passed away last November at the age of 90. Those who knew Eleanor, remember her as a lady of true grace, a loving mother and a most valuable help mate for her husband during his years of service to both the Public Accountants Society of Colorado (PASC) and the National Society of Accountants (NSA). Her skills and dedication kept Chester's office functioning at top efficiency when he was away. She maintained a concerned interest in both societies for many years after Chester passed away in 1992. Chester served PASC as President for the years 1954-55 and 1959-60 and went on to serve as NSA President for the years 1970-71. Eleanor maintained a number of lasting friendships with those NSA members from around the country who served with Chester at the highest echelons of NSA. When PASC decided to establish a scholarship to honor Chester, Eleanor was instrumental in securing a number of significant contributions from among her friends and personal acquaintances in NSA. Eleanor was devoted to her church, her friends and her neighborhood. She will be missed and she will always be remembered throughout both PASC and NSA.

### Condolences can be sent to Elenor's Daughter and Son:

Mimi Chupik - 10576 Parkington Lane #34-C, Highlands Ranch, CO 80126  
John Borelli - 1099 Road 55, Lagrange, WY 82221

NCPE's National Taxpayer Representation educational program prepares Enrolled Agents and other tax professionals to increase their earning power and their practice potential by offering IRS representation services to their clients. Practitioners who do not regularly provide representation services will benefit greatly from this incomparable practice enhancement opportunity. You learn the best ways to solve and successfully guide clients through the challenging IRS maze of offices, practices, and procedures.

1. Obtain skills that meet the needs of your clients
2. Increase income potential
3. Resolve returns processing problems quickly
4. Expand practice clientele and opportunities
5. Distinguish yourself from ordinary tax preparers
6. Realize the full use of your EA or CPA credential

**Level I will be  
held in Denver on  
June 23-25, 2010**

This is a three level program and each level is a three-day seminar.

**Watch the Newsletter or the Website for more information as it becomes available.**

## [Backup Does NOT Always Equal Data Recovery](#)

By Debi Bush - [dbush@cmitsolutions.com](mailto:dbush@cmitsolutions.com)

You've no doubt heard about the need to backup critical data to protect your business. But is having a backup of critical data enough to let you sleep at night? Consider these woes:

- A business was diligently backing up their server to a tape backup system every night. They made sure that the tapes were taken off site on a weekly basis to protect against a catastrophe at the office. Unfortunately, after the server crashed and a restoration was attempted it was discovered that the tapes were bad and it was impossible to restore data from the tapes. The lesson to learn is that tape backups will fail almost 100% of the time – it's just that nobody knows when that will be.
- Another business decided to purchase an inexpensive external hard drive for each employee figuring this was a less expensive solution than a centralized backup strategy. A sales person took the external hard drive that had been assigned to her and copied customer data before leaving to take a job with the competition.
- An agent at a small insurance office decided to use flash drives to back up and transport information from the office to his home office. One day after making a few stops between home and the office he discovered he had lost the flash drive. Unfortunately, he knew that the data on the drive included not only client data (including social security numbers) but also his latest backup of QuickBooks files. The effort to notify his clients about the potential problems was time consuming and extremely embarrassing. He lost several clients because of the problem and had the headaches of canceling credit cards, changing bank accounts and more.
- In yet another horror story, an accounting firm with a large number of clients had undergone the effort to convert paper files to scanned electronic documents. They even signed up for an off-site backup service to keep a backup copy of all documents remotely. Unfortunately, the service they selected didn't have any way to quickly restore their files and after their server crashed in the middle of tax season, it took 3 days for all of their client records to be restored. Without their records for 3 days they incurred more than 8 days of

rework and delays and the loss of more than 400 hours of billable labor. You "Do the Math" on what those 400 billable hours might have been worth.

What is the common thread in all of these horror stories? Making an effort to back-up your critical data isn't enough by itself. There are other things to consider including data security, reliability of the back-up media, and the most important – a plan for business continuity and restoration.

Did you know that 1 out of every 5 small businesses will suffer a major data catastrophe each year? Was this your year or are you holding out for 2010? And even worse, according to the Small Business Administration, 70% of businesses that experience a data catastrophe will not survive another year if they don't take proactive measures to have backups.

So what should a conscientious business owner do?

When considering what your business needs to do to protect your operation and critical data, it's valuable to work with an advisor that understands a variety of backup solutions. This person will be your trusted advisor (just as you are for your clients) and technology partner and understands how to ask you the right questions to determine what a continuity and recovery plan should include. Starting on the right side of the equation to define those things that are most critical to keep the business operational and secondly how to recover in the event of a catastrophe is the best approach. Additional discussions need to center on how much risk the business is willing to accept. At the end of the day, an investment in a backup strategy is another form of business insurance and insurance is about managing risk. It doesn't make sense to pay for a military grade solution that provides backups every few minutes if you are willing (and able) to recreate a

**Continued on page 6**

---

### **President's Post, continued from page 3**

Because this is your Society, we need you for it to succeed.

Please call me any time, I want to help you and we need to hear from every member on any subject.





[Changes to sales tax rates effective 01/01/10](#)

The Colorado Department of Revenue provides a Web page that shows upcoming sales tax rate changes. Changes typically are effective either January 1 or July 1.

On the Colorado Taxation Web page at [www.TaxColorado.com](http://www.TaxColorado.com), refer to the bottom middle portion of the page under

**News and Announcements** and see **Dec 8, 2009 - January 1, 2010 Sales Tax Rate Changes**

The direct link to the information is <http://www.colorado.gov/cs/Satellite/Revenue/REVX/1251568827999>

Office of Public Information and Education  
Colorado Department of Revenue  
[www.TaxColorado.com](http://www.TaxColorado.com)  
[tpspublicinfo@spike.dor.state.co.us](mailto:tpspublicinfo@spike.dor.state.co.us)

[Member Forum New Posts](#)

**Income Tax**

✓ Tracey - 12/18/09 - [http://www.coloradoaccountant.org/forum/topic.asp?TOPIC\\_ID=38](http://www.coloradoaccountant.org/forum/topic.asp?TOPIC_ID=38)

**Announcements**

✓ Steve- 01/09/10 - [http://www.coloradoaccountant.org/forum/topic.asp?whichpage=-1&TOPIC\\_ID=31](http://www.coloradoaccountant.org/forum/topic.asp?whichpage=-1&TOPIC_ID=31)

**Entity Choices**

✓ Steve- 01/09/10 - [http://www.coloradoaccountant.org/forum/topic.asp?whichpage=-1&TOPIC\\_ID=40](http://www.coloradoaccountant.org/forum/topic.asp?whichpage=-1&TOPIC_ID=40)

**RENT IT HERE!**

[Start the New Year off in a NEW office with FREE rent!](#)

Wonderful 3 room suite in totally remodeled Victorian. Free month's rent with year lease. Big windows; French doors; 24/7/365 access; external sign; ADA compliant; central air/heat; off-street parking + tons of free, street parking. Walk to downtown and Hospital district.

Come by 1828 Clarkson, call 303-830-2300, or email [bbernstein@qwestoffice.net](mailto:bbernstein@qwestoffice.net).

**Backup, continued from page 4**

week's worth of data without significant cost and effort. Conversely, spending a few hundred dollars on a solution that results in tens of thousands of dollars of rework and recovery is penny wise and pound foolish. So, working with a trusted advisor who can help you weigh risk and evaluate options is the best strategy.

A good business continuity and disaster recovery plan has three major components. They are:

1. Business Continuity Plan
2. Business Recovery Plan
3. Backup Strategy that supports these

A competent technology advisor can help you develop the various components of a comprehensive plan. Also, timing of your decision to create and implement a plan is of course critical. Waiting until the server crashes is like buying property insurance after your house burns to the ground.

Is your data secure? Will you be able to restore your business if you have a crash? Can you keep operating if your server or your computers crash? Do you want to wait until tomorrow to start to figure it out? Set a goal for 1Q 2010 to develop and implement a comprehensive business continuity and recovery plan. Your business and a good night's sleep are worth it.

CMIT Solutions is a national information technology firm with a focus on supporting businesses in the small and mid-sized business marketplace. There are more than 110 CMIT offices nationwide and here in Colorado there are eight offices poised and ready to help businesses just like yours.



[Watch for more information in the Next Issue of "The Professional Public Accountant"](#)

62<sup>nd</sup> Annual Accounting Forum and Convention  
June 2-4, 2010  
Pueblo, Colorado  
Up to 14 hours CPE - in NSA Convention Format

**Save the dates & Join us!**



# Congratulations

## Passed the Serving Aging America exams and have the ARA designation

- ◆ Darlene Buss
- ◆ Dani East
- ◆ Bob Kuziak
- ◆ Bill Ruesch
- ◆ Clara Spake
- ◆ Judy Adams
- ◆ Steve Smith
- ◆ Diana Buskirk

*I thought the courses were very beneficial to our CPA practice in Greeley and I hope to be better able to serve the needs of the aging portion of our client base.  
~ Bill Ruesch ~*

If you recently earned the ARA designation after taking the Serving Aging America Seminars, please inform the office at [ruth@coloradoaccountant.org](mailto:ruth@coloradoaccountant.org). We want to congratulate all of you!

Please let us know of your other accomplishments so we can give you the recognition you deserve for your hard work!

## Did you know???

That next year is a reporting year for CPE Credits? All PASC Active Members are required to earn at least 72 hours of Continuing Professional Education Credits every three years. The current time frame for earning these hours is July 1, 2008 through June 30, 2011. Check your CPE Log to be sure you are on track. If you need a log, go to <http://www.coloradoaccountant.org/pdf/CPELog.xls> . If you need more CPE hours, check out the list of upcoming seminars on page 10. Go to <http://www.coloradoaccountant.org/login.asp> and log in to read the CPE Rules for PASC Active Members.

## A D V E R T I S E M E N T

### **Great News! Earn Ethic hours or CPE Credits**

PASC members can now take advantage of NSA Member rates for webinars!

These Live Webinars are offered to help accountants and tax professionals **make and keep** more money.

Go to <http://www.nsacct.org> and click on this banner:



When registering, use code: **NSASOCPECO** in the place for the NSA Member ID#.

**Register for one today!**

*Public Accountants Society of Colorado Offices*

**Chapter Officers**

**The Four Corners Chapter**

President/Treasurer–Barbara Blackburn, PA, ABA (970) 264-6644  
 Vice President – Bill Morlong, EA, ATA, ATP (970) 884-5106  
 Secretary - JoAnn Howell, PA (970) 264-5330

**Hi Plains Chapter**

President –Larry French, PA (970) 867-9040  
 Vice President –John C. Hase, PA (970) 522-9231  
 Secretary-Treasurer –Sharon K. Woodside, PA (970) 774-6103

**Mile High Chapter**

President –Julie Packard, PA (303) 731-1604  
 Vice President – Leota Jensen, PA, ATP (303) 841-4544  
 Secretary – Linda Marie Evans, PA (303) 933-7849  
 Treasurer – Carlos Klinger, PA, ATP (720) 859-7168

**Pikes Peak Chapter**

President – Doug LeNoue, PA, EA (719) 520-5181  
 Vice President – Colleen Garwood, PA (719) 481-2047  
 Secretary – Joyce Coffman, PA, EA (719) 547-2370  
 Treasurer – Helen Jackson, PA, EA (719) 884-2124

**Poudre Valley Chapter**

President – OPEN  
 Vice President –  
 Secretary – Garland Lumbard, PA (970) 223-3635  
 Treasurer - Bob Childers (970) 353-2925

**Western Slope Chapter**

President –Matt Lewis, EA, ATA (970) 874-7621  
 Vice President – Jean Moores, PA (970) 931-2802  
 Secretary/Treasurer –Donna Myers, PA, ABA (970) 824-8836

**PASC Committees**

**Education Committee – Chair:** Corrin Campbell  
**Educational Seminars – Activity Leader -** Corrin Campbell  
**ACAT Outreach – Action Leader-** OPEN  
**Communications & Website - Activity Leader -** Kirit Merchant, Don James, Steve Smith, Matt Lewis, Jim Hatcher  
**Convention – Action Leaders-** Patricia Woods: Joyce Coffman, Judy Shoemaker, Doug LeNoue, Sue Blattner  
**Governance – Chair:** Gary Anderson  
**Finance and Audit – Activity Leader -** Gary Anderson, Doug Le Noue, Barbara Blackburn, Kirit Merchant(Treasurer)  
**Governance, Bylaws & Administrative Policy – Activity Leader – OPEN**  
**Leadership Development – Activity Leader – OPEN**  
**Ethics and Grievances – Activity Leader –** Robert Childers  
**Governmental Affairs – Chair:** Leota Jensen  
**Legislative Presence – Activity Leader – OPEN**  
**Tax Liaison – Activity Leader – OPEN**  
**Membership – Chair: OPEN**  
**Awards and Public Relations – Activity Leader – OPEN**  
**Chapter Development – Activity Leader – OPEN**  
**Membership – Activity Leader – OPEN**  
**Newsletter – Editor –** Lynette Myers  
**Nominations – Activity Leader –** John Mertinez

Full list available online at [http://www.coloradoaccountant.org/pdf/Officers\\_and\\_Directors.pdf](http://www.coloradoaccountant.org/pdf/Officers_and_Directors.pdf)

*Get Your Business on the Web with A New Service for PASC Members*

The Public Accountants Society of Colorado (PASC) Board of Directors has approved an offer from SOS4Net, Inc., for members to have a Web page professionally designed by the company for \$199, a savings of nearly 75 percent. The hosting fee for this Web page has been negotiated at \$5 per month (\$60 per year), to be billed annually by PASC. Set-up fees have been waived. In addition, members can choose their own domain name and have it registered for free for the first year. Subsequent years are billed at \$14.95 per year.

Members who take advantage of this offer can select a template from a list that has been approved by the PASC Board. The individual Web page will be integrated within the existing PASC Web site at [www.coloradoaccountant.org](http://www.coloradoaccountant.org). Therefore, templates have been developed based on color schemes that will preserve the integrity of the existing site.

In addition to the greatly reduced rates, members who host a Web page within the PASC site can take advantage of search-engine submissions, which could greatly increase visits to their site. Also, for those who would like to change content frequently, up to two sections of the page may be edited directly from the member record of the PASC Web site.

Visit [www.coloradoaccountant.org/bestoffer](http://www.coloradoaccountant.org/bestoffer), where you will find a sample Web page as well as links to templates. Contact information is also provided here so the member can sign up for this incredible opportunity.

For more information, contact Ruth Bustamante in the PASC Executive Office at (303) 452-8227 or (800) 578-4451; [ruth@coloradoaccountant.org](mailto:ruth@coloradoaccountant.org); fax (303) 477-0770; P.O. Box 1078, Eastlake, CO 80614-1078.

## Get Your Business on the Web FORM

To sign up, fill out the following form and mail, e-mail or fax it to the PASC Executive Office.

Name: \_\_\_\_\_

PASC Member Number: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP Code: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Alternate Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

I understand that I will pay a one-time \$199 fee for a professionally designed personal Web page to SOS4Net, Inc. I understand I will pay a \$60 hosting fee (\$5 per month) for the first year (and \$60 per year thereafter) to PASC. I understand I will pay \$14.95 per year to renew my domain name. (The domain name of my choice will be registered for free for the first year.)

Total Payment: \$259 to PASC

Check \_\_\_\_\_ or Charge: \_\_\_\_\_ VISA \_\_\_\_\_ MasterCard \_\_\_\_\_ Discover \_\_\_\_\_

Card #: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

Card Code (three-digit number above signature back of card): \_\_\_\_\_

Name on Card: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

After PASC receives this form and payment, your information will be sent to Scott Hendrickson at SOS4Net, Inc, who will contact you to design the Web page with the color scheme you choose and personalize it to showcase your company and services.



### ADVERTISEMENT

#### PLACE YOUR AD HERE !!!

Contact Ruth Bustamante for prices and sizes.

303-452-8227

[ruth@coloradoaccountant.org](mailto:ruth@coloradoaccountant.org)

Send the copy and artwork to Lynette Myers.

[newslettereditor@coloradoaccountant.org](mailto:newslettereditor@coloradoaccountant.org)

---

If you have pictures, an article, an advertisement or a congratulations that you would like to submit for the next newsletter, please submit it by the 10th of February. Submission is not guarantee of placement.

They can be sent to the editor, Lynette DL Myers, PO Box 1078 Eastlake, CO 80614-1078 or via email [newslettereditor@coloradoaccountant.org](mailto:newslettereditor@coloradoaccountant.org).

Public Accountants Society of Colorado  
PO Box 1078 Eastlake, CO 80614-1078



A D D R E S S

### 2010 PASC SEMINAR SEASON

#### 62<sup>nd</sup> Annual Accounting Forum and Convention - 14 CPE

Pueblo June 2-4, 2010

**Topics Include:** Tips for Small Businesses Technology, Accounting for Partnerships Insolvency Bankruptcy Accounting, QuickBooks Seminar Ethics (4 Hours)

#### NCEP Seminars Sponsored by PASC

##### National Taxpayer Representation Level I - 24 CPE

Denver June 23-25, 2010

#### Corporations, Partnerships & LLC's Seminars - 16CPE

Grand Junction September 20-21, 2010

Denver September 21-22, 2010

Colorado Springs September 22-23, 2010

#### 1040 Seminars - 16 CPE

Durango November 1-2, 2010

Grand Junction November 17-18, 2010

Denver 1 November 18-19, 2010

Colorado Springs December 8-9, 2010

Denver 2 December 9-10, 2010



View the electronic version of *The Professional Public Accountant* on the PASC Web site: [www.coloradoaccountant.org](http://www.coloradoaccountant.org)

Articles for *The Professional Public Accountant* Newsletter are welcome and encouraged.

To submit, please e-mail [newslettereditor@coloradoaccountant.org](mailto:newslettereditor@coloradoaccountant.org)

#### Executive Offices

P.O. Box 1078  
Eastlake, CO 80614-1078

Phone: (303) 452-8227

Toll-free: (800) 578-4451

Fax: (303) 457-0770

E-mail:

[jack@coloradoaccountant.org](mailto:jack@coloradoaccountant.org)