

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly E-newsletter of PICPA International

August - September 2011

Table of contents

President's message	- 1
Useful Accounting Acronyms	- 4
PICPA International to seek MRA support of Foreign Affairs Secretary	- 5
New PICPA-CA SF President	- 6
Birthdays	- 6
Doomsday Economic Predictors	- 7
Estate Tax and Healthcare Tax Reform	- 9
Ninety Percent Income Tax Free	- 11
Comparison of select personal tax rates worldwide	- 12
COBIT: Brief guide to IT best practices	- 13
Boost your IT IQ	- 18
Useful News	- 19
Job Openings	- 24

The Filipino Global Accountant is an online publication of PICPA International. For any questions, comments or contributions please send an email to the Editor-In-Chief, Ralph Villanueva at rvsvillanueva@hotmail.com

The opinions, views and assertions of the article contributors are solely those of its authors, and do not reflect the opinions and views of the organization as a whole.

MESSAGE FROM THE PRESIDENT

During the 4th PICPA Global Convention held in Vancouver (BC), Canada, PICPA International arranged for a "Special Meeting on MRA between the proposed signatories to the MRA between the Philippines and the United States for the benefit of all Filipino CPAs in the future.



Background Information

If you may recall, PICPA International has been working on this MRA since 2003. Way back in October 2003, PICPA International filed for CPA Reciprocity for Filipino CPAs with the California State Board of Accountancy, (CSBA), in the State of California to and tried to revive the CPA Reciprocity which used to be granted by CSBA to Filipino CPAs during the early 70's, but was closed in late 70's. However, CSBA, knowing that PICPA Members are eligible for CPA Reciprocity in all aspects, graciously offered and endorsed PICPA International Members for an MRA Agreement not only in the State of California, but also in the other 50 states and other territories in the USA, who are members of the National Association of State Boards of Accountancy (**NASBA**). This endorsement prompted **PICPA International** to work on this MRA by sponsoring the 1st PICPA Global Convention held in Las Vegas, Nevada in October, 2004. This global convention is the key to promote the MRA between the Philippines & the United States. In fact, all the succeeding 2nd, 3rd & 4th PICPA Global Conventions every 2 years were geared towards the possibility of forging an MRA between the United States & the Philippine Government.

What is MRA?

Basically, this MRA will allow both signatory countries' (Philippines & USA), CPAs to practice public accountancy (including auditing/attestation), without having to re-take the required "Certified Public Accountants Uniform Examination" in each other's country.

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

Who are the Signatories to an MRA?

Signatories to an MRA normally should be the country's Governing body that conducts the preparation of the uniform CPA examinations and issuance of the CPA Certificates in a particular country. Thus, in the case of the Philippines, the signatory to the MRA should be the Chairman of the Philippine Board of Accountancy (PBOA), and in the USA, the one in-charge in granting an MRA, which is the United States International Qualifications Appraisal Board (US-IQAB).

Who is US-IQAB?

US-IQAB is a branch of the American Institute of Certified Public Accountants (AICPA) and the NASBA. The AICPA is in charge in the conduct of the Uniform AICPA Examinations in all the 50 States and other territories in the USA.

Who is NASBA?

NASBA is the association of all the State Boards of Accountancy in the USA. They conduct the Uniform AICPA Examination in their respective states and control the minimum requirements for issuance of the CPA Certificate to practice public accountancy in such state. In an international effort to recognize the professional expertise and services of the "Global Accountant", the AICPA & NASBA felt the need to acknowledge foreign public accounting services by "Mutual Recognition Agreements (MRA)" between the USA through the US-IQAB and the State Board of Accountancy of a foreign country (i.e. Philippine Board of Accountancy - PBOA).

Which countries had signed MRA with US-IQAB?

To date, the US-IQAB had signed an MRA with the following countries: Canada, Australia, New Zealand and Mexico.

Latest Update

On May 26, 2011, during the 4th PICPA Global Convention held in Vancouver (BC), Canada, PICPA International sponsored a "Special MRA invited Representatives from: US-IQAB, Philippine Board of Accountancy, PICPA National Office, Philippines, and other PICPA Chapters in the USA, Canada, Australia, Europe, Middle East and the Philippines, to have a special talk about MRA between the 2 countries. All participants to the "Special Meeting", believed that an MRA is needed between the 2 countries and agreed to work and move forward towards the formalities and pre-requisites towards MRA. A special "MRA Task Force" has been created with members composed of Representatives from: Philippine Board of Accountancy (PBOA), PICPA National

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

Office; Philippine Dept. of Trade & Industry (DTI) and/or Philippine Dept. of Foreign Affairs (DFA) ; and PICPA International, as the Liaison Officer on MRA Direct Communications with the US-IQAB. PICPA International also suggested a follow-up meeting between the US-IQAB Representative and the Philippine Board of Accountancy (PBOA), in an upcoming NASBA meeting also to be held in Vancouver, Canada. Latest developments about this meeting between US-IQAB & PBOA will follow after this update.

What is next?

In order to strengthen and activate the newly formed “MRA Task Force”, PICPA International is in the process of setting up and recruiting members of the proposed “**MRA TASK FORCE SUB-COMMITTEE**”. This MRA-Sub –Committee will act “hand-in-hand” closely to as “PICPA INTERNATIONAL’s LIAISON & SPOKESPERSON” on all matters pertaining to MRA-related communications and issues with the US-International Qualifications Appraisal Board (US-IQAB). The members of the proposed “MRA TASK FORCE SUB-COMMITTEE” will be composed of:

- 1.) PICPA International Executive Committee;
- 2.) 5th PICPA Global Convention, 2013 – Coordinating Committee Chairpersons;
- 3.) Representatives from: Host & Co-Host Chapters , 5th PICPA Global Convention, 2013;
- 4.) Chapter Presidents of PICPA International and/or Representative, in the USA, Canada, Australia, Europe and the Middle East;
- 5.) Volunteer Members/Officers of a PICPA International Affiliated Chapter;
- 6.) Honorary Member/s
- 7.) Founding Officers of a PICPA International Affiliated Chapter in the USA, Canada, Australia, Europe & the Middle East.

Proposed duties of the MRA TASKFORCE SUB-COMMITTEE

- 1.) To “bridge” the GAP between the PBOA and the US-IQAB;
- 2.) To “bridge” the GAP between/among the PBOA and the DFA and/or DTI;
- 3.) To “bridge” the GAP between/among the PBOA, DFA, DTI and PICPA National Office;
- 4.) To study and work on how the pre-requisites to the MRA by US-IQAB be initially resolved;
- 5.) Meet monthly or quarterly, as the need arises, to expedite latest communications on MRA matters with PBOA and/or US-IQAB;
- 6.) To develop and improve close relationship with US-IQAB/NASBA and AICPA;
- 7.) To push the Philippine Government to support this MRA between the PBOA & US-IQAB.

Roland Ditan
President, PICPA International

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

USEFUL ACCOUNTING ACRONYMS

Acronym	Complete Meaning
ABO	Accumulated Benefit Obligation
AFS	Available For Sale (securities)
AICPA	American Institute of CPAs
AOCI	Accumulated Other Comprehensive Income
ARO	Asset Retirement Obligation
CAP	Committee on Accounting Procedure (U.S.)
CICA	Canadian Institute of Chartered Accountants
COSO	Committee of Sponsoring Organizations
DM	Discussion Memoranda
ED	Exposure Draft
EITF	Emerging Issues Task Force
EPBO	Expected Post-Retirement Benefit Obligation
EPS	Earnings Per Share
ERISA	Employee Retirement Income Security Act
ERP	Enterprise Resource Planning
ESOP	Employee Stock Ownership Plan
FAF	Financial Accounting Foundation
FASAB	Federal Accounting Standards Advisory Board
FASAC	Financial Accounting Standards Advisory Council
FASB	Financial Accounting Standards Board
FDA	Food & Drug Administration
FVTOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit & Loss
GAA	Global Accounting Alliance
GAAP	Generally Accepted Accounting Principles
GAO	Government Accountability Office (U.S.)
GARCA	Geographical Areas, Regions & Chapter Affiliates (Phils)
GASB	Governmental Accounting Standards Board
HTM	Held to Maturity (investments)
IASB	International Accounting Standards Board
IASC	International Accounting Standards Committee
IFAC	International Federation of Accountants
IMA	Institute of Management Accountants
JIT	Just In Time (Inventory System)
LCM	Lower of Cost or Market
LIBOR	London Interbank Offered Rate
MACRS	Modified Accelerated Cost Recovery System (Depr'n.)
MD&A	Management Discussion & Analysis
MDA	Management Discussion & Analysis
MOU	Memorandum of Understanding
MRA	Memorandum of Reciprocal Agreement
NASBA	National Association of State Boards of Accountancy
NASDAQ	National Assn. of Securities Dealers Automated Quotations
NRV	Net Realizable Value
OTT	Other Than Temporary (Impairment)
PBOA	Philippine Board of Accountancy
PCAOB	Public Company Accounting Oversight Board
PICPA	Philippine Institute of CPAs
R&D	Research & Development
ROA	Return On Assets
ROI	Rate of Return
SAR	Stock Appreciation Rights
SEC	Securities & Exchange Commission
TS	Trading Securities
US-IQAB	US-IQAB

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

PICPA International to seek MRA support from Foreign Affairs Secretary

PICPA International President Roland Ditan will meet with the Philippine Secretary of Foreign Affairs Alberto Del Rosario on September 11, 2011 at the Hyatt Regency San Francisco, Burlingame, California. Secretary Del Rosario will be in San Francisco on September 11 and 12, 2011 to meet the Filipino community as part of his first official visit as Foreign Affairs Secretary. President Ditan will use this opportunity to drum up support for the MRA. In preparation for this event, President Ditan sent this message through Philippine Consul-General Marciano Paynor Jr:

September 6, 2011

Dept. of Foreign Affairs (DFA)
Attention: Honorable Secretary, Albert del Rosario
Cc: Office of the Undersecretary for International Economic Relations (OUIER)
Manila, Philippines
Cc: Philippine Consulate General's Office, San Francisco, California, USA

Dear Honorable Secretary Albert del Rosario:

Greetings from the Philippine Institute of Certified Public Accountants (PICPA) International, in the USA, Canada, Australia & the Middle East, the umbrella organization of all PICPA International Affiliates in United States, outside of the Philippines, and other foreign countries.

On behalf of the Executive Committee, Officers & all International Member Chapters of PICPA International, it is indeed a great honor and opportunity to be with you in your first visit in San Francisco on September 11, 2011 and we sincerely hope that your visit will be a very fruitful one.

As mentioned earlier, it is a great opportunity for PICPA INTERNATIONAL that you are visiting San Francisco, because over the years, we, at PICPA INTERNATIONAL, have been looking for this chance to make a fruitful inquiry and follow-up with the Dept. of Foreign Affairs, and the Office of the

Undersecretary for International Economic Relations (OUIER) on the **status** of our "long-been outstanding petition" requesting the Philippine Government to favorably consider forging a "Memorandum of Reciprocal Agreement" (MRA) with the American Institute of Certified Public Accountants (AICPA), and the U.S. National Association of State boards of Accountancy (NASBA), through the Philippine Board of Accountancy (BOA) and the U.S. Counterpart (United States International Qualification Appraisal Board (US-IQAB).

For your information and reference, we have attached herewith a copy of the latest communications between the DFA, PICPA, National Economic Development Authority (NEDA), Dept. of Trade & Industry (DTI), Philippine Regulation Commission (PRC) and Philippine Board of Accountancy (BOA).

Once again, on behalf of the **PICPA INTERNATIONAL** ExCom, Officers & Chapter Member Affiliates, any update on the status of this follow-up inquiry from your good office DFA) and the OUIER regarding the possibility of forging a "Memorandum of Reciprocal Agreement (MRA) between the BOA & AICPA/NASBA/US-IQAB will be greatly appreciated. More power to you and the DFA/OUIER!!

Very respectfully yours,

Roland Ditan

President & Chairman
PICPA INTERNATIONAL in the USA, Canada, Australia, Europe & the Middle East

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

NEW PRESIDENT FOR PICPA-CALIFORNIA SAN FRANCISCO CHAPTER

Rusty Bernardo, the Outgoing President of PICPA California San Francisco Chapter called for a “special meeting” of the Officers and Members of the Board of Directors (BOD) on September 1st, 2011. It was agreed and approved by all the Officers and Members of the BOD the following:

1. PICPA California SF Chapter will follow and adopt the change in its accounting period initiated by PICPA National Office from calendar year to fiscal year effective July 1, 2011;
2. The Officers and Members of the Board of Directors have approved the nomination of Carlito “Lito” Non, to be the Incoming President (President-Elect), in the new fiscal year 2011;
3. All other Officers will be carrying the same titles and duties up to the next fiscal year;
4. The regular term of office of the officers will be for the next 2 fiscal years effective July 1, 2011 up to June 30, 2013;
5. Outgoing President Rusty Bernardo will be an “Ex-Officio” Member of the BOD in the next 2 fiscal years, as specified in the PICPA CAL-SF Chapter by-laws;
6. The Induction of New Officers will be held on October 8, 2011; and
7. PICPA Cal-SF Chapter will have a “Fund Raising Event” on October 15, 2011.

MEMBER BIRTHDAYS

Sonny Padama (San Francisco Chapter) - April 15

Alfredo Non (Southern Metro Manila Chapter, recently appointed Philippine Energy Regulatory Board member and 4th PICPA Global Convention speaker in Vancouver, Canada) – April 30

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

Doomsday Economic Predictors

By Angel Dayan EA, CPA, ABA, ATA

Doomsday economist Bob Weidemer (author of "Aftershock") is again predicting there will be yet another economic collapse in 2013, the way America is headed. He predicted the 2008 collapse that has happened. The weakening of the dollar vis-à-vis the international currencies' performance has already shown its signs. The Philippine government has already reviewed its reserves where it is sitting to insure it does not get depleted furthermore as the U.S. economy continues to decline. Our heavy borrowing in the U.S. is signaling still a near shaky future in the coming few years, evidently without let up as the depressing signs tell us. Financial Author, Zubi Diamond, who wrote the book, "Wizard of Wall Street" that already sold over 4,000 copies (and you could find it at ZubiDiamond.Com) blamed a herd of "hedge funds short-sellers" at Wall Street; a dirty dozen culprits that connived with bureaucrats to remove safeguard regulations put in place since 1938 to prevent a repeat of the 1929 stock market crash and to get us out of the depression, the intricacies of which I have just learned lately. He cautions there are powerful rich forces in our country today outside the political spectrums who want to destroy the capitalistic economic principles of our "We the People" democracy. socialist agenda he says will replace it eventually heading us to a One World Government of the Anti-Christ. But not too soon! Let the Bible be our guide to these secular "gurus" and the Divine leading of the Holy Spirit. I would still advise you to make sure you have the assets liquidity ready to pull out your resources when you need them and to not park equities where it will wane in value. It is difficult to judge the directions of the financial world. Even the best of minds with personal motivations will be bound to confuse us. If year 2013 brings us yet to another economic collapse, we should know where to put our money today. God told us not to trust in "men who cannot save" but only on God. Seek the help of professionals who can give Godly advice. If you are still curious, buy these books and examine what they say and compare with a Godly book, "The Coming Economic Armageddon" by Dr. David Jeremiah that I also do recommend. We all need pure wisdom how to deal with today's knowledge-based economy.

Now back to taxes. There was a law written in 1978 that the IRS cannot reclassify contractors as employees if a company filed 1099 forms on them and treated all similarly situated workers as contractors. It was required that the firm must have a "reasonable basis" for reclassifying people as contractors and not employees. This law is still in place but requires that an employer must have a "reasonable basis" to treat workers as outside

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

contractors such as “relying on a prior court ruling, a previous IRS employment tax audit, or a long-standing industry practice or any other alternate “safe harbors” before classifying a worker as a contractor.” If you are not sure of what to do, there is an IRS procedure to get a ruling on your treatment. As more and more employers would like to save on payroll taxes, I will not be surprised if treating workers as “outside contractors” would be common sense. But be careful, the risk one takes that has violated the law could be disastrous. I have seen its results having defended clients in payroll audits of both IRS and California EDD. We just cannot win them all. What are called “common law factors” are controlling and not the employer’s business discretion even in a bad economy.

Corporations have been lined up to be the next target of IRS random research audits. The IRS is planning a series of audits of U.S. Corporations again to test their tax compliance. The IRS will use the audits to determine its estimates of the tax gap and establish DIF scores (audit formulas) that discriminate data to become the basis of tax return audit selection. We have been doing preventative reorganization plans for clients to avoid being selected on this random audit and a wise counsel should be able to give you advice. Review this issue with your tax consultant and ask him what could be done. We can also give private and confidential recommendations.

Well, sure enough as the economy has squeezed business income, employers have been terminating retirement plans where they put money for their employees. It appears to be the sensible way to do to stay in business and keep employees. But not too fast folks. The IRS is searching for plans that reported a 20% or more drop in the number of participants. But yet the decrease in plan participants could also just very well be from those who opted out of the plan to bring more take-home pay. The money is needed at home, not at a retirement plan’s savings, recently 30% looted by Wall Street hedge funds white collar criminals. We are not even told if someone from those dirty-dozen guys in my client’s book cover went to jail. Check them out.

(Angel Y. Dayan, EA, CPA, ABA, ATA is admitted to practice tax law before the IRS in California and in all 50 States. He is an Enrolled Agent Tax Planning Consultant with unlimited rights to represent taxpayers before all the administrative levels of the Internal Revenue Service. He is also a licensed CPA in the State of Texas with a tax practice in California. He meets clients daily by appointment and he could be reached at (213)-365-1040. You can visit his website at: www.taxwork.com)

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August – September 2011

Estate Tax and Healthcare Tax Reform

By Angel Dayan EA, CPA, ABA, ATA

Let us take a look at Estate Tax reform if there are any coming up pretty soon. The truth is, nothing lately has been said about its reform. What we know is that after 2012, the \$5 million exemption for gift and estate tax for each spouse is scheduled to go down to \$1 million. The maximum tax rate is expected to rise again to 55% (currently it is at 35%). The transfer of the unused exclusion to the surviving spouse is set to expire after 2012. It is also likely that the 35% low tax rate could be extended but that will probably happen after the 2012 elections. The laws are still friendly to the rich, i.e., individuals can give up to \$5 million of assets free of gift tax or \$10 million for married couples. You and your spouse can still give \$26,000 per year to any individual without affecting your lifetime gift tax exemption.

The Federal Appeals Court judges are still in disagreement if the Health Care Reform is really “unconstitutional.” The mandatory provision in the law that required people to get medical insurance by 2014 or pay a penalty was deemed “unconstitutional” by a Florida Judge, but not the entire health care reform. Another Judge in another circuit did not find anything “unconstitutional.” It will take the tortoise Supreme Court to rule on its validity. By 2014, employers may owe a “tax penalty” of \$3,000 dollars per employee who buys health care coverage through an “insurance exchange.” If Obama loses the election, the Republicans will most likely discard this Health Care Reform that will go down as an unwise use of American tax dollars in legislative exercise.

Someone borrowed funds and used his publicly traded stock as security to obtain a home loan. Yes, he wanted to boost his mortgage interest deduction beyond the mortgage loan limit of \$1.1 million dollars. (Total loan was \$1.6 million). The IRS disallowed the extra mortgage interest that technically was an “investment interest” even though the loan proceeds was used to buy a home. Watch out for this loan limit the IRS is very keen about.

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

A sole owner of an S-Corp. gave his son 95% of his stock and reported the gift to the IRS. The following year, he gave himself “cash distributions” from the S-Corp. in excess of the value of his remaining stock holding that was reduced to 5%. The IRS determined his “cash distribution” was a taxable dividend.

He should have done these two transactions the other way around and in such order to avoid being taxed. This taxpayer relied on his own discretions without professional help like so many.

The carry back of Net Operating Losses can be waived. The carry back is allowed for two years, and then any remaining loss is carried forward for up to 20 years. To relinquish the carry back, attach a statement to your timely filed return. If you failed to, you can still make the election by filing an amended return within 6 months of the due date of the original return. Some businesses find no need of a carry back since there are already losses in the past two (2) prior years. The Net Operating Loss is much needed to reduce taxes in the next 20 years. Our economy has produced strings of net operating losses requiring wise discretions on its use these days. You be wise folks!

(Angel Y. Dayan, EA, CPA, ABA, ATA is licensed to practice tax law before the IRS in California and in all 50 States. He has a Masters Course in Tax Defense Representation and a Graduate Fellow in Advanced Tax Practice and Procedures. He is a CPA admitted in Texas, with complete accreditations in Business Accountancy and Tax Advisory. He writes a weekly Tax Column for a local newspaper in California. He meets clients daily and could be reached at (213)-365-1040 for an appointment)

What is an EA?

What is an enrolled agent? An enrolled agent is a person who has earned the privilege of practicing, that is, representing taxpayers, before the Internal Revenue Service. Enrolled agents, like attorneys and certified public accountants (CPAs), are unrestricted as to which taxpayers they can represent, what types of tax matters they can handle, and which IRS offices they can practice before (from IRS website)

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

NINETY PERCENT INCOME TAX FREE

By Angel Dayan EA, CPA, ABA, ATA

My source would tell us that 90% of Americans in the tax roll paid no income tax at all. We can take this interesting news with curious thoughts because at our present economy, the salaries of many Americans have dropped to poverty levels, in fact below the combined “standard deduction and personal exemption levels” that made people not liable to pay any income tax. I also find this news relevant to Labor Day, being the hardworking man’s “freedom from income tax” but only because more people have lost their jobs in 2010 and could not find a replacement. It has reduced income tax collection accordingly. There are 153 million Americans in the labor force, the tax revenue centers of government. We could count another additional 6 million of illegals who could have paid some income tax. I relate that half of the American people of the poor working class in our society pay no income tax at all, the other half are non-working citizens being below 16 years old, and the retirees who receive social security benefits without any income tax. But surprisingly it was also reported that 85% of full-time workers are covered by some sort of employee health insurance benefits. And so I thought on this issue it is not really that bad at all as some Health Care Reform advocates would convince us of America’s miserable health care coverage conditions. We could spin our mind some more on government statistics as we meditate the poor working man’s Labor Day present, wrapped with an income tax payment moratorium everyone need these days.

Continuing on with alarming statistics, our U.S. government is now 14 trillion dollars in increased debt borrowing, but then the spending cut projected will only be 2.5 trillion dollars over the next 10 years. Evidently, there is no planned solution to reduce the huge “backbreaking” debt. Unless God sends us a financial redeemer, we now sell the future of our children. Right now, more than ever, we should manage our resources well enough to insure our family’s future is secure from the open abuses and gross mismanagement of our leaders.

Eureka! A new Tax Haven is at hand. Switzerland today, in a “quaint medieval town called Zug” is still the new corporate tax haven of our era. U.S. companies and others around the world would move to this town of 16,000 people and 30,000 companies that has an income tax rate of somewhere between 15% and 16%. The U.S. corporate income tax rate is 35% high, plus roughly another 10% for the State that brings the

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

combined rate to the highest 45%. If that does not drive U.S. companies to move overseas I do not know what else. In the 80's and the 90's, the favorite tax havens were the Bermuda and the Cayman Islands in the Caribbean. America today loses some \$60 billion dollars a year in taxes saved away by U.S. offshore companies using tax haven countries. That money does not come into our economy but "parked" in offshore assets by U.S. firms headquartered in tax haven countries, quite interestingly with mailbox addresses. If you have an opportunity to do tax-planning work for your business international operations, an offshore company in Switzerland will significantly reduce corporate income taxes. It is still considered legal.

U.S. investments in stocks, mutual funds, annuities, retirement accounts, securities, money market funds, bonds, etc. relatively dropped at least 31% in value in the year 2010 alone. We all thought it would not happen but it did. Today, people are debating whether or not to continue to save still using these investment vehicles. It is a matter of whether or not we could still trust the U.S. economy in how unstable it has now become. But how could one really know except to watch the economic signs. One thing we are sure of; the dollar currency is weakening in the international monetary exchange. Casting aside politics, Americans have pinned our hopes into "the change" a new administration would bring. But it has not happened yet. Changes could not get done as fast as they should. There are powerful forces beyond politics running our nation evidently far stronger than one man could handle. The rhetoric does not inspire us anymore. Tell us why?

Angel Y. Dayan, EA, CPA, ABA, ATA is a Tax Problems Resolution Specialist admitted to practice tax law before the IRS in California and all 50 U.S. States. He has a Masters Course in Tax Defense Representation and completed studies in Advanced Tax Practice and Procedures. He is a CPA licensed in the State of Texas with accreditations in Business Accountancy, Business Advisory, and Tax Advisory Services. He is a Graduate Fellow of the National Tax Practice Institute in Washington, D.C. He meets clients daily by appointment and could be reached at (213)-365-1040 or visit his website at www.taxwork.com

COMPARISON OF SELECT 2010 PERSONAL INCOME TAX RATES

(From KPMG's Individual Income Tax and Social Security Rate Survey 2010)

Australia = 45%	Italy = 43%	Spain = 43%
Canada = 29%	Japan = 50%	Taiwan = 40%
Denmark = 55%	Netherlands = 52%	Thailand = 37%
France = 41%	New Zealand = 33%	United Kingdom = 50%
Germany = 45%	Philippines = 32%	United States = 35%

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

COBIT for the rest of us: A very brief yet useful guide to best practices in IT operation and security

By Ralph Villanueva MBA CIA CFE CPA (PH)

Information is the lifeblood of any organization in the 21st century. Sound decisions can be made only when information is securely, speedily, efficiently and economically collected, organized and presented to management. This is possible only when an organization has a robust and scalable IT infrastructure capable of storing and processing information according to organizational objectives.

However, an investment in a sizable IT infrastructure can substantially cost the organization capital and managerial resources. For instance, ten (10) blade servers, a simple network system with two routers and switches, a firewall and twenty (20) workstations can easily cost a small organization in excess of \$100,000, including ERP and other software licenses. Although the price of IT hardware has dropped considerably in recent years, greater demands imposed by external security threats, security protocols such as PCI DSS, regulatory requirements such as SOX and the ever-changing response of management to a continuously dynamic business environment makes investment in hardware, software and people ware an expensive proposition.

It is in this context that COBIT (or Control Objectives for Information and Related Technologies) was created by the IT Governance Institute under the ISACA (or Information Security and Control Association) in 1998. ISACA defines COBIT as “a comprehensive set of resources that contains all the information organizations need to adopt an IT governance and control framework in a manageable and logical structure to help optimize IT-enabled investments and ensure IT is successful in delivering against business requirements.”

The ultimate objective of COBIT is to make an organization’s investment in IT pay off through a set of prudent, comprehensive and practical IT control and governance practices that ensure optimum performance at minimal risk and expense to the organization. These practices are divided into process controls (generic process-level control objectives) and application controls.

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

The application controls are divided into four (4) domains, as follows:

1. Plan and Organize
2. Acquire and Implement
3. Deliver and Support
4. Monitor and Evaluate

The best part of COBIT is that it is written in plain English. Even non-IT professionals such as accountants and auditors can add value to their organization by applying COBIT practices. Best of all, COBIT is applicable to almost any organization in any industry. The following are some of the control objectives and practices by which you can benchmark your organization's IT performance and determine whether you are COBIT compliant or not.

Process Controls

Refers to rules, policies, procedures and guidance statements to ensure that appropriate and adequate IT controls will enable the organization to reap the expected benefits of an IT system at the least cost in terms of human and capital resources.

Examples of process controls

- SMARRT or specific, measurable, actionable, realistic, results-oriented and timely process goals and objectives for the execution of each IT process
- Clearly defined roles and responsibilities of each IT process owner
- IT processes that are scalable, relevant to organizational objectives and consistently deliver expected benefits
- Clear documentation of IT processes with appropriate policies and procedures for updating, revising, approving and disseminating information on each IT process
- Metrics that measure the effectiveness of IT processes

For process controls to unleash the full benefits of an appropriate IT infrastructure, short and long term goals have to meet the SMARRT criteria. Responsibility for running the day-to-day operations of the IT department should be clearly stated in a set of written policies and procedures. For instance, the Network Administrator is responsible for ensuring that only current employees are in the active domain or list of employees with access privileges, while the Data Center Manager is responsible for making sure that downtime for all servers and data drives is 0%.

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

IT processes should be designed on a template that is scalable and can be replicated throughout the organization. For instance, the design of a database for the Purchasing department of a subsidiary company should mirror that of the parent company, to enable seamless sharing of vendor information. The customer record can be expanded for additional fields that could accommodate information to satisfy ever-expanding organizational requirements, and be in a storage media drive with enough memory space for adding 100x to 1,000,000x the number of customers that the organization currently has.

Each step of the IT process should be clearly documented, and the corresponding documentation should be circulated to appropriate organizational stakeholders. For instance, the system update process, or the process of updating software versions should be circulated among the IT technicians, system specialist, network administrator, data center manager and the end users. This is to ensure that everyone knows the timetable for the update, what they can expect from the upgraded version and what steps they should take to minimize downtime, input errors and potential data loss.

Metrics should be instituted by IT management to ensure that the investment in IT infrastructure delivers the expected return on investment. For example, uploading an inventory pricing file update should take no more than a minute as compared to an hour for the old materials management system.

Plan and Organize

Covers the initial phase of setting up an IT infrastructure, such as defining a strategic IT plan and direction, defining the IT architecture and assigning responsibility for managing the IT project.

Examples of plan and organize

- Value of IT investment outweighs real cost and potential risk
- IT processes are closely aligned to business objectives
- Strategic and tactical IT plan
- Ensure data integrity and consistency
- Involvement of all organizational stakeholders in the IT plan

Before an IT system is acquired, the organization must decide on the objectives to be automated, the level of human and capital investment it can afford, the names of the decision makers and process holders who will oversee the project and the timetable for each aspect of the project. A rigorous cost-benefit analysis should also be initiated at this point in the project. For instance, management should ask if the cost of putting an Oracle

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

materials management ERP module over purchasing and warehousing functions would be less than the cost of pilferage, spoilage and obsolescence.

Communication in this initial phase is very crucial, because there are several moving parts in executing this domain. The cost has to be written into the capital budget, which means that approvals should be secured beforehand. For approvals to be won, each department head and their subordinates should be aware of the potential benefits of the IT system to their departments. For example, will CRM or customer relations management software enable the sales department to more effectively connect with customers and close more sales?

Acquire and Implement

Covers identifying IT requirements, acquiring the IT infrastructure components (hardware, software and training), implementing it to support the organization's operations and the development of a maintenance protocol to protect and enhance effectiveness of IT resources.

- Identify, document and analyze risks associated with business requirement solutions and design
- Translate business requirements into high-level design specification for software acquisition
- Prepare detailed design and technical software application requirements
- Address application security and availability requirements in response to identified risks
- Configure and implement acquired application software to meet business objectives

This is where the interface between vendors and organizational IT planners come in. There are different hardware and software systems for different needs across different industries and different organizational sizes in different growth stages. A start-up company does not need anything more expensive than Quick books for its accounting needs, while a 10,000 person company with annual sales of \$100 million across 20 countries will need something very sophisticated and expensive for its accounting system.

The risk of not realizing the benefits of an IT investment should be considered at this point, and appropriate the hardware and software needed to mitigate that risk and ensure the success of this project should be procured. If there is a possibility that customers will exponentially increase within the year, should the organization invest in a more expensive server with more processing capacity and greater memory? Or should it go for a cheaper system until customer volume increases and the system hits the scalability wall?

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August-September 2011

Deliver and Support

This domain focuses on delivering the benefits of the IT investment, ensuring continuous service to the organization and ensuring security of data.

- SLA or service level agreements for all critical IT requirements should be based on customer requirements and IT capabilities
- Regularly review SLA with service providers to ensure they are effective and up to date
- Planning process for review of performance and capacity of IT resources
- Performance and capacity forecasting of IT resources
- Training for all stakeholders

The success of an IT project ultimately depends on the people who support it. Support staff should not only ensure that the system runs with zero downtime, but should effectively and efficiently manage every aspect of the IT process. This includes training the right people to run different aspects of the IT system. For example, the employee in charge of inputting raw materials should be familiar with each raw material in the warehouse, and know which modules of the materials management software are relevant to his responsibilities.

SLA is one critical and expensive component of the IT system. Complete reliance on vendors will leave the organization with potential downtime, especially if problems in the IT system cannot be remedied by remote access alone and the vendor does not have 24-hour help desk capability. A dedicated employee may be the solution, but this has to be balanced against the organization's budget for an extra employee.

Monitor and Evaluate

This domain pertains to a company's strategy in continuously determining whether or not the IT systems is relevant to organizational objectives, and whether controls are adequate in complying with the organization's regulatory environment.

- General monitoring framework to measure IT solution and service delivery
- Work with business users to define balanced set of performance targets
- Periodically review performance against target and analyze cause of deviations
- Develop reports to senior management on IT contribution to the business

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

- Identify and initiate remedial actions based on performance monitoring, assessment and reporting

A performance dashboard is key for the fulfillment of this domain. But before the metrics are set in stone, the business users and the IT management have to decide on what to measure. Downtime, capacity utilization, bandwidth usage, server space and backup frequency are among the common IT metrics. The best metric though are the ones in conjunction with the business goals and objectives of the organization. Nevertheless, management should periodically review not only the achievement of targeted performance metrics, but also assess its relevance against an ever-changing business environment. A new metric may be necessary as the organization expands or adds a new line of business.

Senior management should be continuously apprised of the IT department's activities and contribution to the business. This does not have to be formal multi-page report. On the contrary, a short report or even an email would suffice. Nevertheless, such communication should be fully documented for the archival requirements of the organization.

Conclusion

Ultimately, the best way to design an appropriate IT infrastructure is to begin with the end in mind. What does your organization want to achieve? How much time and money can it commit? Is your organization ready to face the possibility of reengineering itself to be able to fully harness the benefits of a major IT investment? COBIT can only do so much, but it nevertheless is a good guide for all organization-wide IT system stakeholders.

Ralph Villanueva is the IT Security and Compliance Analyst at the Las Vegas Hilton. He is an MBA graduate and a Certified Public Accountant (Philippines), Certified Internal Auditor and Certified Fraud Examiner, as well as a Competent Communicator and VP-Membership of the Las Vegas Toastmasters Club. Professional affiliations include the Institute of Internal Auditors, the Association of Certified Fraud Examiners and the Institute of Management Accountants. Ralph's recent article "IT Security Tips from the Regulators" appeared in the 3rd quarter 2011 issue of the Gaming Auditorium, an online publication of the Institute of Internal Auditors.

Boost your IT IQ

Question: What is Cloud Computing?

Answer: The practice of using a network of remote servers hosted on the Internet to store, manage and process data, rather than on a local server or a personal computer (from Oxford Dictionaries Online).

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

USEFUL NEWS

AICPA Recommends SEC Allow Optional Adoption of IFRS by U.S. Public Companies

(AICPA press release dated Aug. 17, 2011)

The American Institute of Certified Public Accountants has recommended to the Securities and Exchange Commission that U.S. public companies be allowed the option of adopting use of International Financial Reporting Standards as the commission weighs a possible future framework for incorporating IFRS into the U.S. financial reporting system. "Whether or not the SEC decides to incorporate IFRS into the U.S. financial reporting system through an endorsement/convergence approach, we believe U.S. issuers should be given the option to adopt IFRS as issued by the IASB," Paul V. Stahlin, AICPA chairman, and Barry C. Melancon, AICPA president and CEO, said in a four-page letter to the SEC.

"An adoption option would provide a level of consistency in the treatment of U.S. companies and foreign private issuers that report under IFRS that does not exist today, and would facilitate the comparison of U.S. companies that elect IFRS with their non-U.S. competitors that use IFRS. Furthermore, giving U.S. companies an option to adopt IFRS as issued by the IASB would be another important step towards achieving the goal of incorporating IFRS into the U.S. financial reporting system. Anecdotal evidence suggests that the number of companies that would choose such an option would not be such that system-wide readiness would become an issue," Stahlin and Melancon said.

The SEC's request for comments on incorporating IFRS into the U.S. financial reporting system sets the stage for a possible decision by the commission later this year that may set parameters for convergence of IFRS with U.S. Generally Accepted Accounting Principles and a phased timeline for U.S. adoption of IFRS. "The AICPA supports the goal of a single set of high quality, comprehensive financial reporting standards to be used by public companies in the preparation of transparent and comparable financial reports throughout the world. We believe one common financial reporting language would benefit investors, as well as issuers and capital markets, because it would facilitate the comparison of reporting entities domiciled in different countries. We believe the standards issued by the International Accounting Standards Board (IASB) are best positioned to become those global standards. We, therefore, agree with the objective outlined in the Staff Paper that a U.S. issuer compliant with U.S. generally accepted accounting principles (GAAP) should also be able to represent that it is compliant with IFRS as issued by the IASB," Stahlin and Melancon said.

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

AICPA Congratulates New York State on Enactment of “Mobility” Law Governing Practice of CPAs across State Lines

New York Becomes 48th State to Approve Uniform Legislation

(AICPA press release dated Aug. 19, 2011)

The following is a statement by Barry Melancon, CEO and president of the American Institute of Certified Public Accountants on New York State's enactment of legislation modernizing regulations to allow CPAs to represent clients across state lines:

"I commend Governor Cuomo for signing New York's new CPA cross-border mobility statute. This legislation is good for all businesses and acknowledges the rapidly changing business environment in which the CPA profession practices and offers services, both in New York and around the country. I also congratulate the New York State Society of CPAs as well as the many individual CPAs and CPA firms who worked so hard to help the profession reach this new legislative milestone. Many small firms had their voices added to this process through the AICPA and NCCPAP, an association of small firms based in NY."

The AICPA has worked collaboratively since 2007 with state CPA societies, the National Association of State Boards of Accountancy, individual state boards of accountancy, AICPA members and their firms to update state licensing laws. The law makes it easier for CPAs to gain practice privileges outside of their home state jurisdiction without obtaining an additional licenses in another state, benefitting businesses and the economy. New York becomes the 48th state to adopt such legislation bringing the United States closer to a national uniform mobility system for CPAs, CPA firms and the state boards of accountancy that regulate them.

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

IRS to Track Credit and Debit Card Purchases More Closely

WASHINGTON, D.C. (AUGUST 18, 2011)
BY MICHAEL COHN, ACCOUNTING TODAY

The Internal Revenue Service plans to beef up its tracking of credit and debit card purchases of merchandise to spot discrepancies with the income claimed on tax returns.

A 2008 law required that debt and credit card payments be tracked by banks and third-party payment settlement organizations and reported to the IRS. The agency was then supposed to match the information with the income that business taxpayers report on their returns as part of an ongoing effort to improve tax compliance. The Treasury Department estimated the new information reporting requirement would bring in an extra \$10 billion a year in tax revenue.

However, a **government report** released on Thursday found that the IRS needs to improve its implementation of the merchant card reporting requirements in the 2008 law, known as the Housing and Economic Recovery Act.

The report, by the Treasury Inspector General for Tax Administration noted that payment settlement entities such as banks are supposed to report the merchant card and third-party payment information to the IRS on Form 1099-K, Merchant Card and Third Party Network Payments. The report acknowledged that implementation of this new requirement would add millions of additional information reporting documents to IRS computer systems, however.

TIGTA also discovered that the IRS's redesigned tax year 2011 income tax forms may not facilitate a direct match between the sales reported on Forms 1099-K and the amounts reported on tax returns by merchants.

"We found that improvements must be made if this effort is to function as intended, which is to help reduce the tax gap," said TIGTA Inspector General J. Russell George in a statement. "Based on our finding, the IRS immediately made adjustments to one tax form and is reviewing the other affected forms to make similar improvements."

The law requires payment settlement entities to withhold a percentage of gross, known as "backup withholding," from those merchants who do not ultimately provide a valid Taxpayer Identification Number and name that match IRS records. Because of the increased volume of Forms 1099-K resulting from merchant card reporting requirements, there is a risk that mismatches might not be resolved in a timely fashion before backup withholding becomes mandatory, according to the report.

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

TIGTA also found that the IRS's risk assessment and implementation plan did not contain enough details about the risks and the appropriate contingencies. TIGTA auditors also found that the IRS did not properly account for the funds appropriated for the merchant card reporting implementation during the project's initial stages.

TIGTA made five recommendations for improvement to the IRS, including better monitoring of the amounts reported for merchant card and third-party payments; inclusion of additional information such as financial reporting on future risk assessments; and additional documentation.

TIGTA also recommended that the IRS ensure that financial reporting is added to its risk assessment and implementation plan so the costs and schedules could be tracked and reported on a timely basis, and the costs could be accumulated when the resources are first used.

In response to the report, IRS officials agreed with the recommendations and are planning appropriate corrective actions. "The implementation of merchant card legislation should help to reduce the Tax Gap," wrote Faris Fink, the commissioner of the IRS's Small Business/Self-Employed Division. "As the reporting of merchant card payments is a new requirement, we will monitor the reporting for merchant card and third-party payments in our efforts to simplify this new reporting requirement. We plan to communicate our findings from the monitoring to taxpayers and practitioners. We also recognize the importance of obtaining meaningful feedback from the public, and whenever possible, will enhance the forms and instructions to ensure accurate reporting."

TOTAL CARDS IN CIRCULATION IN THE US

(Through year-end 2010, unless otherwise noted)

- American Express credit: 48.9 million (*Source: AmericanExpress.com*)
- MasterCard credit: 171 million (*Source: MasterCard*)
- MasterCard debit: 123 million (*Source: MasterCard*)
- Visa credit: 269 million, as of Sept. 30, 2010 (*Source: Visa*)
- Visa debit: 397 million, as of Sept. 30, 2010 (*Source: Visa*)
- Discover cards: Unavailable

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

AICPA Supports IRS Tax Return Preparer Program at Congressional Hearing

(From AICPA website on Sept. 8, 2011)

The American Institute of Certified Public Accountants supports the Internal Revenue Service's program, as it is currently structured, to regulate tax return preparers, [Patricia Thompson](#) (pictured), chair of the AICPA Tax Executive Committee, told members of the House Ways and Means Oversight Subcommittee at a hearing on July 28.

We believe the IRS should be commended for its efforts to implement the return preparer program," Thompson said. "They listened to stakeholder concerns and suggestions, and they've gotten it right."

The current IRS regulatory program reflects testing and continuing education changes sought by the AICPA, while meeting the overall goals of the program to enhance compliance and elevate ethical conduct, which the AICPA has steadfastly supported.

One of the IRS' proposals would have subjected non-signing staff of CPA firms who are supervised by CPAs to the entire IRS regulatory regime applicable to registered tax return preparers, including testing and specific continuing education requirements. Thompson said that instead the IRS appropriately adopted a limited exemption from testing and continuing education requirements for these CPA firm employees. Consequently, the IRS program is focused on those tax preparers known as "unenrolled" preparers, who are not CPAs, attorneys or enrolled agents.

That's important because the December 2009 IRS [report](#) on the paid tax return preparer community was triggered by compliance studies issued by the [Government Accountability Office](#) and [Treasury Inspector General for Tax Administration](#) that implicated the "unenrolled" preparer community as the source of compliance problems.

The IRS began implementing its plan to regulate tax return preparers last fall by requiring CPAs and all other paid tax return preparers to register for a unique Preparer Tax Identification Number. CPAs, attorneys and enrolled agents are exempt from the minimum competency test on Form 1040 and the IRS' continuing education requirements for registered tax return preparers.

Thompson told the subcommittee in her [testimony](#) that the AICPA supports the following elements of the IRS' regulatory program:

- Registering paid tax return preparers and issuing them unique preparer tax identification numbers.
- Expanding the ethical umbrella of IRS Circular 230 over all paid income tax preparers.
- Creating a continuing education construct geared towards "unenrolled" preparers.
- Implementing a basic Form 1040 examination as a condition to become a "registered tax return preparer."

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

Philippine government agencies propose fee hikes

BY **DIANE CLAIRE J. JIAO**, Reporter

Business World Online (Philippine publication) Sept. 4, 2011

HIGHER FEES AND CHARGES have been proposed by government agencies to reflect current transaction costs, with the increases ranging from 20% to as high as 200%.

The planned adjustments -- currently involving 29 units -- are in line with a policy to shore up non-tax revenues, Finance Undersecretary Gil S. Beltran said on Friday.

"The increase in fees and charges will be in response to inflation since some agencies have not increased their prices since 1993," Mr. Beltran said, adding that the department will also begin periodic reviews of rates charged by a total of 137 state agencies.

"We need the hike to recover the costs of materials used in the transaction, the salaries of the people who will process it and the budget of the office in charge," he added.

Mr. Beltran claimed the expected revenue boost would allow the hiring of more personnel, making transactions more convenient and accessible.

Based on a Finance department memorandum obtained by *BusinessWorld*, the biggest adjustments have been proposed by the Bureau of Customs. The 50-200% increase for fees charged at the country's ports was said to be needed as the last revision was made a decade ago.

The National Bureau of Investigation is also gunning for a 50% increase of fees that were last revised in 2000. The Bureau of Immigration, meanwhile, is considering a 30% hike, with its charges dating back to 1999.

The Professional Regulation Commission wants a 10-50% increase -- the last fee update was done in 2005, while the National Telecommunications Commission (NTC) and the Securities and Exchange Commission (SEC) are seeking a 20% adjustment to charges that were last revised in 2004.

"The NTC could increase the fees they charge telecommunication companies for licenses. The incorporation fees and the penalties of the SEC could rise too," Mr. Beltran said. End-users could also see a 20% increase in the fees charged by the Civil Aeronautics Board and the Games and Amusement Board, with fees last revised in 2001 and 2006, respectively.

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

JOB OPENINGS

Dole Food Company - Regional Audit Manager, North America - Westlake Village, CA

August 24, 2011

PRIMARY PURPOSE OF POSITION:

The Regional Audit Manager/North America is responsible for Internal Audit functions covering business units operating within North America as well as Corporate functions. He/she will lead projects such as risk assessments, compliance and operational audits, investigations, business unit advisory services and continuous monitoring.

EDUCATIONAL REQUIREMENTS:

- BA/BS in Business or Economics is required; Accounting/Finance emphasis is preferred
- CPA or CIA designation is required; CISA and/or CFE is a plus
- MBA with Accounting or Finance emphasis is preferred

Contact Details: Employment section of IIA-Los Angeles Chapter website; see link below

<http://www.theiia.org/chapters/index.cfm/view.news/cid/4>

City of Glendale - Internal Auditor Posting

August 9, 2011

Internal Auditor

Salary: \$5,583 - \$8,121/month

This position performs difficult technical and complex internal auditing work and performs all phases involved in an audit, including planning, organizing, performing, and reporting. Requires a Bachelor's Degree in accounting, information systems, business or a related field, **and** four years of progressively responsible, professional experience conducting internal audits, including one year at a supervisory level.

For complete job description and application materials, visit www.ci.glendale.ca.us or call (818) 548-2110. Apply ASAP. Recruitment may close at any time.

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011



Senior Auditor

August 17, 2011

Job Description

The senior auditor is responsible for planning and performing financial audits, internal control reviews, fraud investigations, and compliance audits at all business units and Campus Point SHAS functions of Scripps Health. Key activities include the review and evaluation of accounting, financial and other operating controls; determining the extent of compliance with established Scripps Health policies, procedures and contracts; determining the extent to which company assets are accounted for and safeguarded from loss; assessing the reliability of financial data and information developed within the organization; and the preparation of reports for the appropriate levels of management with key observations and findings, recommendations for improvement, and agreed upon correction action plans.

Basic Qualifications: Bachelor's degree in accounting, finance, or business administration with course work in auditing is required. A CPA or Certified Internal Auditor (CIA) certification or active pursuit of such designation is required.

Minimum Qualifications: A minimum of three years of broad based accounting and auditing experience including a minimum of two years of internal or external audit experience with in-charge responsibility.

Preferred Qualifications: Previous experience in a health care industry is preferred. Experience with large complex organizations is desirable.

Job Location

San Diego - Scripps Health Corp., CA, US.

Position Type

Full-Time/Regular

Department

Audit & Compliance

Contact: Please contact Steve Chadwick at chadwick.steve@scrippshealth.org for more information.

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

Director of Internal Audit Alameda County, California

Date Opened: Aug. 31, 2011

Filing Deadline: Sept. 26, 2011

Salary: \$4,069.60-\$4,938.40/bi-weekly

Position

The Director of Internal Audit will plan, organize and direct the activities of the Internal Audit unit, which audits and investigates a wide variety of programs, functions, processes, and activities of County departments. To this end, the incumbent will lead the department in evaluating internal controls to ensure the accuracy of accounting records, compliance with laws and regulations, contract terms and conditions, and the efficiency and effectiveness of County operations. In addition, the incumbent will lead activities other than audits and projects. These activities include the following: accounting for the County's Joint Powers Authorities, preparing Schedules of Expenditures of Federal Awards (SEFA) and managing the Single Audit process, preparing Comprehensive Annual Financial Report (CAFR) footnotes and Management's Discussion and Analysis (MD&A), accounting for the County's collection efforts, and accounting for federal and state grants. The Director will serve as a member of the Executive Staff Group which proposes, develops and implements Agency policy.

Required Experience

Possession of a Bachelor's degree from an accredited college or university (180 quarter units or 120 semester units). Concentration in accounting, business administration, finance or a closely related field is desired, and the equivalent of two years of full-time experience as a Principal Auditor, Financial Officer, or in an equivalent or higher level classification; or three years as a Senior Supervising Auditor, or in an equivalent or higher level classification in the Alameda County Service classified service, preferably with responsibility for supervision of professional level accounting, auditing, collections, or recording staff. (Non-classified includes District Attorney's Office, Hospital Authority, and the Consolidated Courts.) or The equivalent of five years full time experience in a professional accounting, auditing, or administrative position. At least three years of the required experience must include supervising the work of others.

Apply through Alameda County website, or see link below:

<https://www.jobaps.com/Alameda/newregpages/termsofuse.asp?RecruitNum1=11&RecruitNum2=0160&RecruitNum3=01>

THE GLOBAL FILIPINO ACCOUNTANT

Bi-monthly e-newsletter of PICPA International

August - September 2011

Global Audit Manager Electronic Arts

Location: Redwood City, California

As the Audit Manager, you will be a hands on manager conducting and supervising operational, financial, and process reviews/audits. You will perform and/or lead audits to determine propriety and efficiency of control structure and operating processes, including recommendations for improvement in processes and controls. You will represent the Global Audit department in accomplishing its mission of providing value-add to EA, creating partnerships with all levels of management and establishing a high level of integrity within the Corporate Governance framework.

Skills and Knowledge Required

- Bachelors degree in Accounting or other Business oriented curriculum;
- Certified Public Accountant (CPA) or IIA Certified Internal Audit (CIA) designation preferred;
- Working knowledge of US GAAP and IFRs;
- Working Knowledge of IT systems;
- Strong business acumen and understanding of functional linkages. Ability to interact and/or manage cross-functional teams (Operations/Finance) to assist in the creation of integrated system requirements and provide finance and accounting with control expertise;
- Excellent presentation, oral and written communication skills; polished professional; communicates with impact to senior management;
- Excellent MS Office skills (Excel, Word, PowerPoint, Access, Visio) with Oracle skills a plus;
- Written and oral fluency in English. Knowledge of another European language is a plus;

Experience Required

- 5 - 7 years Audit experience within a large commercial organization or within a BIG 4 in external/internal audit, Finance, Accounting or equivalent;
- Experience interacting with management; proven ability in building strong relationships across organizations globally. Leadership qualities, ability to work independently and capable of identifying and resolving issues.

For contact details, go to the Employment Section of Electronic Arts or click on the link below

<https://jobs.ea.com/search/view.do?id=a0z50000000x4QfAAI>