

National Society of Accountants for Cooperatives



Message from the New Chapter President

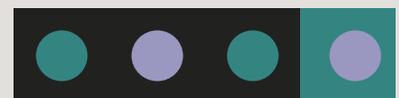
In the upper left corner, there's a great visual reminding us that it's January and depending on where you are, it's probably colder than you'd prefer. For us in Yakima however, it's been an unusually warm winter so far. No white Christmas for us this year. Even our mountain passes are well below average snow fall accumulations. Snoqualmie Pass would normally have 173 inches of snowfall by now, but so far this year we are 100 inches short of that. Not bad if you need to travel, not good if you like to ski. I'm certainly not complaining, but we are keeping a close eye on the snowpack as we will need the irrigation water come summer.

It's a new year and I have been granted the privilege to serve as the North West Chapter President. Special thanks go to Cindy Lyden for her contributions and leadership during her tenure as President. You'll see below that we have a great team setup as your board of directors this year. Our organization remains strong, both in terms of membership and finances.

We look forward to several meetings and events this year. The first of which, the Annual Fruit Industry Seminar happens on January 29 in Wenatchee. The committee has generated a great agenda and we hope you can join us.

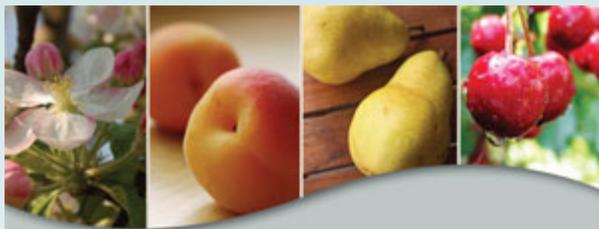
Our goal at the NSAC is to provide accounting, tax and business education uniquely tailored to cooperatives. If you have ideas how we can increase our effectiveness or outreach, please don't hesitate to contact us!

Jeff Dieleman
Moss Adams LLP
509-834-2451



Early 2015

Pacific Northwest Chapter Newsletter



Pacific Northwest Chapter
National Society of Accountants for Cooperatives

Save the date! Registration & Itinerary Coming Soon

2014 Annual Fruit Industry Seminar

Thursday January 29, 2015
8:30 a.m. - 4:30 p.m.

Confluence Technology Center
285 Technology Center Way, Wenatchee WA

\$75 per registrant
Continental breakfast & full lunch included

Questions? Contact Steve Neher at (509) 663-1661 or steven@cnccpa.com



“This is one time where television really fails to capture the true excitement of a large squirrel predicting the weather.”

Phil Connors in Groundhog Day

5 Devices That Are Endangering Your Business

With data breaches estimated to cost an average of \$5.4 million per incident, businesses need to be aware of five office tools that are particularly vulnerable, according to experts.

After a recent study by the Ponemon Institute revealed the high cost of data breaches, the privacy and information security policy research center teamed with document management company Cintas Corp. to identify overlooked areas of risk for data security.

1. Old hard drives. Many discarded or unaccounted for hard drives contain confidential and recoverable information. Complete physical destruction is the best way to protect this sensitive data.
2. Copy machines. The latest generation of digital copiers have a hard disk that can often include sensitive information such as Social Security numbers and account numbers. Some devices include a security feature that allows you to overwrite the hard drive, which should be done at least once a month.
3. Fax machines. A fax machine sitting out in the open not only makes it easy for employees to access, but also allows wandering eyes to notice the data as they walk by. Create a corporate faxing policy that forbids employees from leaving documents unattended at the fax machine. Fax machines also contain hard drives that store data from each document they transmit.
4. Routers. Whether you use a wired or wireless router, if it is not configured properly, it could pose potential security risks. Pirates using your Internet connection can not only slow down your connection, they can also gain access to your confidential information.
5. Mobile devices. Businesses must put “Bring Your Own Device” or BYOD and mobile device policies in place to protect against the potential risk of a stolen or missing mobile device. An effective policy should include training programs, and heightened security measures such as remote wipe.

(Source: Accounting Technology March 19, 2014)



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Understanding the Complexities of Travel, Meals and Entertainment

Date: Tuesday, February 3, 2015

Time: 11:00 AM ET / 10:00 AM CT / 09:00 AM MT / 08:00 AM PT [Prevailing Time]

Presenter: Edward J. Sturm, Service Offering Leader - M&E, Deloitte Tax LLP

Objective: Upon completing this course, you will understand the basic principles and current tax issues and opportunities related to travel, meals and entertainment expenses.

Field of Study: Accounting

Program Level: Basic

CPE Credit: 1 Credit Hour

Delivery Method: Group-Live

Course Description:

Upon completing this course, you will understand the basic principles and current tax issues and opportunities related to travel, meals and entertainment expenses. Specifically, the course will cover the (1) tax deductibility of travel, meals and entertainment expenses and related documentation requirements; (2) potential for income inclusion with regard employees; and (3) current IRS examination trends. This is a repeat of the session given at the 2014 TACC in San Diego.

Presenter Bio:

Edward Sturm is the Service Offering Leader of the Travel, Meals and Entertainment Tax Services Group. Ed has more than 21 years of public accounting experience, including 12 years in Travel, Meals and Entertainment Tax Services. As the Service Offering Leader, Ed is responsible for client satisfaction, technical accuracy, quality control of engagements and IRS sustention. Prior to joining National Federal Tax Services, Ed spent his first nine years at Deloitte providing services to clients in the financial services industry including insurance companies, brokerages, and mutual funds. During this time, Ed provided insurance companies with provision support, return preparation, return review, general consulting, IRS Exam and Appellate level support. Ed is a member of the American Institute of Certified Public Accountants and he is a licensed certified public accountant in the state of Minnesota. Ed holds a Masters of Accountancy in Taxation degree and a Bachelors of Science in Business Administration – Accounting degree, both from the University of Wisconsin - Madison.

To Register: [click here](#)

Chapter Officers

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Jeff Dieleman
Moss Adams LLP

Vice-President
Cindy Lyden
NW Farm Credit
Services

Secretary
Nikki Murison
Central Washington
Grain Growers

Treasurer
Dwayne Brown
Tree Top, Inc.

National Director
Lisanne Currin
Morrow County
Grain Growers

Editor/Publisher
Jeff Dieleman
Moss Adams LLP

Director
Linda Gray
Diamond Fruit Growers

Membership Chair
Nancy Greenwalt
Ritzville Warehouse Co.

Mentor Coordinator
Randy Fenich
Moss Adams LLP

Mentor Coordinator
Phillip Blakney
Cordell, Neher & Co., PLLC

Boot Camp for Cooperative Directors - Parts 1 & 2

Presenter(s): Daniel S. Welytok, von Briesen & Roper, s.c. and Robert A. Fuhrer, National Rural Telecommunications Cooperative

Objective: This course addresses the fundamental duties of a director and board of directors operations and problems.

Course Description: Serving as a cooperative director has its own unique set of challenges. A director's role is relatively straightforward when the rules are followed, but when the rules are unclear or are simply ignored, things can get challenging. This course is designed for cooperative directors and those that advise them, and will clarify what duties a director owes, proper board procedure and how to deal with defects in board meetings, how a director can be sued or otherwise be held personally liable for his/her actions or actions of the board, what protections are available to shield a director from liability and "best practices" to avoid problems in the first place. The Boot Camp for Cooperative Directors course topics will be discussed using illustrations from real-life situations with the goal of helping directors avoid getting caught by surprise.

Because of the broad range of interconnected topics, the Boot Camp for Cooperative Directors course is offered as a two part series.

Part 1 will cover:

- What a director's duties are, to whom they are owed, and how these duties can shift.
- What type of director duties are delegable, and what type are non-delegable.
- Board procedure and committee operations.
- Defects that occur when conducting board meetings, how they affect actions taken and how they might be fixed.
- Practical advice on dealing with certain recurring board issues and what other cooperatives are doing.

Part 2 of the course examines the potential liability that come with being a director, what safeguards are provided by law, and how personal liability might in any event attach. Part 2 will cover:

- The business judgment rule and situations where it does not apply.
- Director indemnification and when personal liability might apply.
- Best practices on how to deal with renegade directors.
- Procedures for removing directors.

To Order PODcasts: [Click Here](#)

PODcast

PCAOB's Franzel Sees 'Perfect Storm' of Internal Control Problems in Audits

Public Company Accounting Oversight Board member Jeanette Franzel described a "perfect storm" of issues that auditors are facing with the internal controls of organizations today during a speech at an auditing conference.

"We are currently in a 'perfect storm' in the area of internal control over financial reporting, which demands effective action by all participants in the financial reporting and auditing chain," she said in a speech at the Institute of Internal Auditors' 2014 General Audit Management Conference in Orlando, Fla.

Franzel discussed how management, internal auditors and external auditors will be navigating the updated "Internal Control - Integrated Framework" from the Committee of Sponsoring Organizations of the Treadway Commission, or COSO, at the same time that outside auditing firms are taking steps to respond to the PCAOB's inspection findings of their audits of internal control.

Franzel said the PCAOB has received feedback indicating there has not been effective communication and dialogue between audit firms and public companies about issues in internal control over financial reporting, or ICFR. But she noted that these types of comments are not helpful with encouraging communication between auditors and preparers. Some public companies have also expressed concerns about the value of additional audit work in the ICFR area, and whether there will be significant increases in costs as a result, she acknowledged. (Source: AccountingToday - Daily Edition - March 28, 2014)



Financials

Summary

	5/1/2014	10/1/2014	Change
Checking Account	\$11,827.25	\$9,536.89	(\$2,290.36)
Savings Account	\$24,691.74	\$24,696.82	\$5.08
Total	\$36,518.99	\$34,233.71	(\$2,285.28)

Checking Account

Balance: May 1, 2014			\$11,827.25
National NSAC Rebates			\$1,205.00
National NSAC Conference			(\$1,500.00)
Wells Fargo Service Charge			\$0.00
2014 NSAC PNW Chapter Annual Meeting Expenses		(\$5,795.36)	
Registration Revenue		\$3,800.00	(\$1,995.36)
Transfer from/(to) Savings			\$0.00
Balance: October 1, 2014			\$9,536.89

Savings Account

Balance: May 1, 2014			\$24,691.74
Wells Fargo Interest			\$5.08
Transfer to Checking			\$0.00
Balance: October 1, 2014			\$24,696.82

Minutes from May's Chapter Meeting

Pacific Northwest Chapter of NSAC
Chapter Board Business Meeting
May 21, 2014

CALL TO ORDER- President Cindy Lyden called the meeting to order at approximately 7:36 am.

MEMBERS IN ATTENDANCE- All attendees of the Pacific Northwest Annual Co-op Chapter Meeting and Speakers of this event.

APPROVAL OF THE MINUTES- Secretary Nikki Murison distributed the Chapter Board Business Meeting Minutes from the Annual Meeting held at the Heathman Lodge on May 22, 2013. Cindy Garrett moved to dispense with the reading of the minutes and Colette Bariletti seconded the motion. The motion passed.

TREASURER'S REPORT- Colette Bariletti presented the Treasurer's report for absent Treasurer Dwaine Brown. The Chapter currently has combined total in our bank account of \$36,518.99, with \$11,827.25 in checking and \$24,691.74 in savings. The fund balances are up \$567.59 over last year. The difference is the net of rebate and dues income of \$2,500 and Fruit Seminar income of \$200 less National Conference expenses of (\$1,500) and Annual Meeting expenses of (\$600). Lance Tower moved to accept the Treasurer's report. Lisanne Currin seconded the motion. Motion passed.

COMMITTEE REPORTS

NATIONAL DIRECTOR REPORT- Lisanne gave a brief report on the National Directors mid-winter meeting held in New Orleans. In 2015, the National Conference will be jointly working with the Rural Electric Group to hold the 2015 National meeting in Denver, Colorado. The National Directors are trying to formulate a Canadian chapter to help develop an International connection. There is a national membership drive to award a free Ipad to a lucky winner who sponsored a new member this year. Bill Erlenbush is the new education director. Lisanne invited everyone to the annual NSAC Tax and Accounting Conference for Cooperatives (TACC) meeting to be held in San Diego in August 2014.

NOMINATING COMMITTEE- President Cindy Lyden opened the floor to nominations for Vice-President and Treasurer.

Ken Knappert moved to nominate Jeff Dieleman to renew his term. Cindy Garrett moved to nominate Dwaine Brown to renew his term for Treasurer. Phil Blakney nominated Linda Gray to Board Member to replace Don Desjarlais. Phil Blakney moved to accept the nominations as presented. Lance Tower seconded. The motion passed unanimously. After nominations, the terms were as follows:

	Term
President – Jeff Dieleman	2015- 2017
Vice-President – Cindy Lyden	2013- 2016
Treasurer- Dwaine Brown	2015- 2017
Secretary – Nikki Murison	2012- 2015
Board Member – Lisanne Currin	2012- 2015
Board Member – Don Desjarlais	2012- 2015

MEMBERSHIP REPORT – Nancy Greenwalt was unable to attend the meeting to give a Membership Report.

MENTOR COORDINATOR COMMITTEE- Phil Blakney reported there were no new developments in Mentor Coordinator.

OLD BUSINESS- None

NEW BUSINESS- Don Franklin wanted to comment on the outstanding food and facilities.

NEXT MEETING- There will be a reorganizational meeting after the last speaker for the Annual Member Meeting.

ADJOURNED- The meeting was adjourned at 7:44 am.

