

Meet the CPA Bloggers

Getting the Inside Scoop from Your Peers

By MELISSA HOFFMANN LAJARA

Trusted Professional Staff

Want a recipe for confusion? Take bank failures, bailouts and Bernie Madoff; add a helping of economic contraction and stock market strife; and mix well with major regulatory shifts.

It's enough to make a CPA's head spin. But it's also the world in which we live. So, how can one stay current and keep a proper perspective?

"I find great, timely information in blogs that I don't see anywhere else, and they are readily accessible," said Financial Executives International's Edith Orenstein, a CPA who herself is the author of that association's blog at

<http://financialexecutives.blogspot.com>.

Blogs, originally called weblogs, are basically Web sites maintained by individuals or corporations that provide news and commentary on a specific topic, but are not as objective as news reports: Blogs often have a slant or include opinions and they usually are maintained by people with little, if any, journalism experience.

Although the earliest blogs were personal journals, blogs have been embraced by corporations and organizations as a quick and easy-to-publish communications vehicle. Unlike print publications, blogs let readers comment on the "blog post," allowing commenters to have a role in furthering the discussions initiated by the author. It's a melding of media that has grown in popularity in recent years.

It may be surprising to some, but there are few consistent financial bloggers out there, except for those who contribute to the blogs offered by major daily newspapers like *The Wall Street Journal*.

"It seems that blogging with commentary and opinion has become pretty popular in virtually every field, but it seems the space is a lot less crowded in financial reporting than other, similar fields," said Tom Selling, a former accounting educator whose blog, *The Accounting Onion*, can be found at <http://accountingonion.typepad.com>.

The NYSSCPA recently joined the blogosphere with its own CPA.Blog at www.nysscpa.org/blog, an open forum for the discussion of accounting and auditing news, regulatory activities, breaking news and Society events.

CPA.Blog was launched in late December 2008, just in time to catch the entirety of the Bernard Madoff scandal and report on the long-awaited passage of New York's accountancy reform bill. Since its inception, the Society blog's scope has quickly expanded to include coverage of the ongoing financial crisis, the IFRS debate, legislative issues and a host of technical updates for CPAs.

The most popular post to date is of a technical nature: It refers to the Financial Accounting Standards Board's (FASB) decision to formally defer FASB Interpretation 48. The new proposal requires some disclosures by private companies which weren't in the earlier proposed FASB Staff Position (FSP) and could be missed by many practitioners.

The primary purpose of the blog is to inform NYSSCPA members and encourage a discussion of the myriad issues facing CPAs and other financial professionals. Anonymous comments are allowed, although they are moderated to ensure that no defamatory material is posted to the site. The blog is meant, first and foremost, as a public service and an educational outlet.

But there were several who came before, paving the way for such open discussion of financial issues, while trying to make sense of, and sometimes bring humor to, the complicated financial sphere. When the answers aren't obvious, these writers—mostly former practicing CPAs—are often willing to connect the dots.

Meet the Bloggers

The FEI Financial Reporting Blog

New Jersey-based FEI is an association for CFOs and other finance executives that offers networking, advocacy and up-to-date financial and regulatory information to its members.

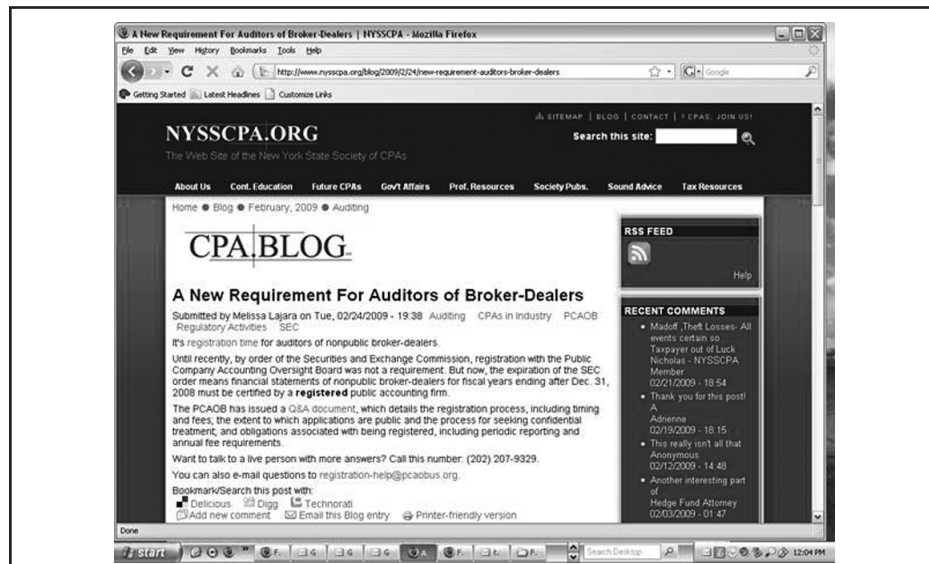
Five years ago, well ahead of many others, the organization launched a blog that was devoted to the "rulemaking and implementation issues surrounding the internal control reporting requirements emanating from the [Securities and Exchange Commission] and [Public Company Accounting Oversight Board] under Sarbanes-Oxley Section 404," according to Edith Orenstein, its author.

"Over the next couple of years, our content expanded to include much more than just 404," she said.

Orenstein spent time working in Washington, D.C., as special assistant to Lynn E. Turner, then the SEC's chief accountant. Under the guidance of Turner's successor, Robert K. Herdman, Orenstein, who, in the early 1990s, sat on the NYSSCPA's Community Affairs Committee, began compiling a "Daily Watch List" of standards-setting issues and topics highlighted in the media, and later did a stint "on loan" to the SEC's Enforcement Division, assisting in the review of tips to the agency.

She is now FEI's director of accounting policy analysis, and says that blogging is her "favorite part of the job."

The bloggers all share a certain freedom from the influences that would preclude



The NYSSCPA's CPA.Blog, launched in December 2008.

similar efforts by most practicing accountants.

"Frankly, I've always been a little bit off the beaten path in some of my jobs," Orenstein said. "For example, in public accounting, you normally don't get involved in standards-setting types of issues

unless you are at a more senior level and working in the national office of a firm."

That is why her "dream job" early in her career was to try to work at FASB, or close to that, landing her in accounting policy

(Continues on page 15)

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Meet the CPA Bloggers

(Continued from page 3)

functions at a number of New York City banks.

However, she said, “Since I work for FEI, and it is FEI’s blog, I have to be careful about stating my own views, which I do from time to time. That’s why an important part of our blog is the disclaimer box in the right margin. If I am adding my own personal views on a controversial issue, I try to make people doubly aware [of it].”

re: The Auditors

“With all due respect for accounting, I’ve wanted to be a writer since I was a child,” says Chicagoan Francine McKenna, author of the blog re: The Auditors, at <http://retheauditors.com>, where she follows the moves of the Big Four accounting firms.

When McKenna left the Big Four and began blogging in 2006, she anticipated some backlash.

For example, when she wrote about layoffs at one Big Four firm, she received criticism and negative commentary.

Now, she moderates the comments and deletes the worst.

“Every once in a while, I get some kind of snarky comment,” she said. “I would say 99.9 percent of my commenters are anonymous. It’s unfortunate, but that’s the way it is.”

On the other side, of course, is support from those who see what McKenna is up against.

“There are so many people who have said positive things, validated what I’ve said, or included [it] in their own work.”

McKenna said she knows the Big Four firms are reading her; as she’s become more high-profile, she said, their public relations departments even return her calls.

But don’t call her a journalist.

“People don’t get the difference between a blog, a newspaper or a magazine. I’m just me, and I don’t have the resources or the obligation to verify,” she said. “I do try to get my facts straight. I’m more conscious of that now.”

“My reputation is important,” she said. “I tell people if I get something wrong. But if it’s a difference of opinion ... you don’t have to read.”

Sometimes, her reputation precedes her. She admitted it can be startling.

“I went to a panel in New York City and people knew who I was,” she said. “It’s fun; it’s interesting, but it made me realize you have to be conscious of that.”

Ultimately, she said, the reader must do his or her own due diligence. “Caveat emptor—let the buyer beware.”

The Summa

The name of Professor David Albrecht’s blog, available at <http://profalbrecht.wordpress.com>, is a reference to a book by Luca Pacioli, the famous mathematician and professor of the late 1400s and early 1500s who is known as the “Father of Accounting.” It is in the *Summa* that Pacioli included a description

of double-entry accounting—the bookkeeping system used by Italian merchants at the time.

Literally, “summa” can refer to any comprehensive compendium—which seems to be right in line with Albrecht’s goals as a blogger.

“As a professor, I’m supposed to try to figure out how everything works in my part of the world,” he said. “I come at it from the approach of using information rather than creating information.”

He decided to take on IFRS, and IFRS took over.

“I originally thought the blog could also deal with education issues, but the IFRS issue is so big, and it’s complicated,” he said. “It hasn’t been easy for me to get my mind around why IFRS has such legs.”

Initially, he said, “I was just trying to compile the anti-IFRS argument.”

Now, in true academic style, he’s researching both sides in order to provide a comprehensive analysis. IFRS, he said, is what his readers come to read about.

“What interests me is the big picture, why things are happening in the area of financial regulation,” Albrecht said. “But I’ve been studying the theory behind financial accounting for years.”

The Accounting Onion

At The Accounting Onion, readers can find Selling “peeling away financial reporting issues one layer at a time.”

“You’re supposed to blog about what you know,” he says on his Web site. “I know that financial reporting is often unnecessarily complex and far from perfect. From my years of teaching, I also learned how to peel away the layers of jargon and complexity to expose what lies at the core of an accounting rule: sometimes a valid concept and other times an unpleasant surprise.”

Since he left teaching, Selling said blogging gives him an outlet to inform, educate and perhaps even to provoke his readers.

The subjects Selling covers in his blog posts run the gamut of accounting topics: Readers can enjoy Selling’s insights on anything from accounting concepts and auditing, to foreign operations and financial instruments.

The Tools of the Trade

Blogging can take many forms. News blogs are now a side dish to most newspaper Web sites. There’s journaling, which has an intimate diarylike feel; you can write a topical blog, link a blog to a Facebook or LinkedIn profile; or you can even “microblog” with tools like, most notably, Twitter.

Twitter is simple. Its entire purpose is to let people who are subscribers to your Web or news feed—which allows Web site content to be made available to multiple sites—know what you are doing at any given moment. In fact, that’s the question you must answer in 140 characters or less: What are you doing? Users can send their updates or “tweets” via cell phone, instant messenger or computer from wherever they



FEI’s Financial Reporting Blog, authored by Edith Orenstein.

may be. Anyone subscribing to your feed will receive an instant update, making it an ideal tool for bloggers or reporters.

Re: The Auditors’ McKenna constantly provides updates to followers on Twitter, and she said she gets a third of her blog traffic that way. She’s an admitted Twitter addict.

“Twitter has been incredibly productive and successful for me. I’m naturally one who wants to share, and I read constantly. There’s just tons of stuff you want to redistribute,” she said. “I have to keep myself in check. I like the tool because it’s not judgmental. You don’t have to be selected. You can just be there, passively following, enjoying someone else’s conversation.”

From Hobby to Calling

Orenstein is an avid reader of blogs and reads McKenna’s blog regularly—the two have become long-distance friends

through their mutual shared interests—and also enjoys TheCorporateCounsel.net blog, The Accounting Onion, CFO.com, CPA Trendlines, Forbes and a host of aggregators.

Both reading and writing blogs, she’s hooked. She’s not the only one.

Albrecht said his six months of financial blogging has gratified him in an unexpected way. “In this day and age, it’s important to be relevant,” he said. “Can I be on the cutting edge and be able to comment on today’s events? Or am I mired in the academic path? With this blog, I can be really current.”

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