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**ACCOUNTING & AUDIT**

## AICPA News: February 2020

AICPA News is a roundup of recent announcements from the American Institute of Certified Public Accountants.

Isaac M. O'Bannon • Feb. 14, 2020



### **AICPA Accepting Applications for Scholarship Program**

The [American Institute of CPAs](#) (AICPA) is now accepting applications for the Private Companies Practice Section (PCPS) [George Willie Ethnically Diverse Student Scholarship and Internship program](#).

The George Willie program provides a scholarship and internship to five minority accounting students who intend to pursue their CPA licensure. The AICPA provides a scholarship of up to \$20,000 to each student to assist with their final academic year tuition, while five PCPS member firms each sponsor a student for an internship during the 2021 tax season (January to April).

The participating member firms are:

- **Aronson LLC**, Rockville, MD
- **Boyum Barenscbeer**, Bloomington, MN
- **OnTarget CPA**, Indianapolis, IN
- **Reynolds, Bone & Griesbeck PLC**, Memphis, TN
- **Sensiba San Filippo**, Pleasanton, CA

This program was created in honor of George Willie, CPA, CGMA, a former chair of AICPA's PCPS Executive Committee and the AICPA Minority Initiatives Committee. During his more than 35-year career, Willie has promoted the benefits of a career in accounting to students and young professionals in pursuit of the CPA license.

“Interning for a firm is one of the best ways to experience what it means to be a CPA,” said Carl Peterson, CPA, CGMA, Association International of Certified Professional Accountants’ vice president of small firm interests. “This program gives students financial backing to help them complete their accounting education and real-world experience that will better prepare them for a career as a CPA.”

Visit <https://www.aicpa.org/pcpsscholarship> for more information. Applications are currently open, with a deadline of April 15, 2020.

## **Consumer Financial Satisfaction Moves Higher**

Thanks to a late 2019 stock market surge, Americans’ financial satisfaction has roared into the 2020’s. The average American should be feeling their strongest sense of financial well-being ever, according to the AICPA’s Q4 2019 Personal Financial Satisfaction index (*PFSi*) which has reached a new high for the seventh time in the last ten quarters.

The current state of Americans’ financial satisfaction is quite different from this time last decade. Entering the 2010’s, many Americans were still reeling from the Great Recession. In Q4 2009, financial pain significantly outweighed financial pleasure and as a result the *PFSi* measured -29.6. This negative reading indicates that the average American was feeling very dissatisfied with their financial health.

## Financial Reporting Executive Committee Seeks Feedback on Insurance Entities Working Drafts

The AICPA [Financial Reporting Executive Committee](#) (FinREC) has issued several working drafts of accounting issues for Insurance Entities, related to the implementation of FASB Accounting Standards Update (ASU) No. 2018-12, *Targeted Improvements to the Accounting for Long-Duration Contracts*, and is requesting feedback.

The new FASB accounting standard on Long-Duration Contracts makes targeted improvements to the existing recognition, measurement, presentation, and disclosure requirements for long-duration contracts issued by an insurance company. FinREC and the AICPA Insurance Expert Panel will continue to develop working drafts on accounting implementation issues that have been identified for the new standard.

## AICPA Seeks Clarity on Sec. 465 Relief

The AICPA is [requesting](#) the Department of the Treasury and the Internal Revenue Service (IRS) issue a notice clarifying that reporting relief on certain reporting under section 465 will also apply to S corporations.

On December 9, 2019, Treasury and the IRS issued [Notice 2019-66](#) to provide – among other relief – a delay in certain reporting under section 465 at-risk activities until the taxpayer’s 2020 taxable year. Recently released draft forms and instructions for partnerships and S corporations have increased the level of reporting expected for the 2019 taxable year at a time when such taxpayers are still expected to address volumes of additional guidance from Treasury and IRS specific to the Tax Cuts and Jobs Act (TCJA).

Notice 2019-66 provides temporary reporting relief for certain items that were considered the most burdensome to partnerships. The AICPA believes that the additional time for partnerships to comply with such provisions will result in better overall compliance.

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