

NUMBERS

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LONG-TERM CARE costs can devastate a family. In the New York metropolitan area, the average annual cost of nursing home care is more than \$140,000. The cost of home care and assisted living care is also very expensive.

Here is an all too familiar situation:

Richard and Nancy have been married for 50 years. They own a house and have savings of \$250,000. Richard collects monthly Social Security benefits of \$1,200 and he has a modest pension of \$700. Nancy receives \$600 in Social Security benefits. Richard has Alzheimer's disease and needs nursing home care. The nursing home bill is \$12,000 per month.

Richard and Nancy cannot afford nursing home care. At an annual cost of \$144,000 they would be broke in less than two years. Sooner or later, they will be forced to rely on Medicaid to help pay for Richard's nursing home care. Moreover, Nancy would be forced to apply for public assistance for herself after spending all their money on Richard's care. Nancy wonders if her husband can qualify for Medicaid without decimating the savings it took over 50 years to accumulate while keeping a sufficient income to maintain her independence.

Or consider the case of Samantha, a widow. Her daughter has given up work to live with her. Her son has a developmentally disabled child. Samantha now needs nursing home care. She wonders whether she can provide for her daughter and disabled grandchild and still qualify for Medicaid.

Medicaid eligibility is inevitable for Richard and Samantha. What the government fails to tell

consumers is that it is possible for middle-income Americans to preserve their savings and also qualify for Medicaid.

Many confuse Medicare and Medicaid.

Medicare is the federal insurance program covering those 65 and older.

Medicare pays for a very limited amount of nursing home care and does so only if the patient is receiving skilled nursing care. Medicare will pay for up to 100 days of skilled nursing care, provided that the patient was hospitalized for 3 days during the 30-day period preceding the nursing home admission. In addition, Medicare will pay only for the first 20 days in full; thereafter (days 21-100) a co-payment of \$114 per day is required. In any event, Medicare will not pay for custodial care. If you need help with activities of daily living, there is no Medicare coverage. Thus, Medicare is simply not a viable alternative for those in need of long-term care.

Long-term care insurance provides a valuable planning alternative and should be considered as part of an overall plan. However, many seniors cannot afford long-term care insurance or are not insurable due to various infirmities.

Seniors with acute care needs receive generous insurance benefits from Medicare. A senior who needs surgery can rely on Medicare. Conversely, a senior who has chronic care needs due to

*Bernard A. Krooks**(continued on page 4)*

So, Who's Watching the Outsourcers?

by Matthew Snyder, CPA with Joshua Fromberg, CPA

DOES YOUR organization currently have one or more outsourcing arrangements? If so, this article may be for you. In addition to its potential cost savings, through outsourcing (or multi-sourcing, when a company works with multiple outsourcers, giving the advantage of spreading the risk of over reliance upon one vendor) a company can take advantage of different specializations that a vendor brings to its clients.

Pros and Cons

While it has its benefits, everything does not always come up rosy. Although transition time is expected before minimum service levels are met, sometimes your company's managers to free up soon after the outsourcing services commence. On the other hand, there are some common pitfalls, including not being resourced enough internally to manage the relationships, inadequate budgeting, and the lack of monitoring mechanisms to ensure that service levels are being met consistently.

Monitoring relationships with outsourcers begins with a commitment from senior management. Each contract should have an owner, someone who is likely to have face time with the vendor and is expected to benefit from the relationship. If the success of one outsourcing arrangement is contingent upon the success of the performance of another service provider, it is imperative that both vendors have an ongoing dialogue and that someone who internally monitors the cooperation between them. Periodic meetings to discuss successes, issues, and needs for improvement are a good idea. In addition, reporting of key metrics that both sides of the table agree upon is a key monitoring control that can ensure proper service delivery. Software applications can easily be incorporated into the process to track the relationship with and performance of the vendor.

Special Considerations for Public Companies

Monitoring of vendor performance is not only a good business practice, but also may be necessary to satisfy regulatory and

audit requirements. The Sarbanes-Oxley Act of 2002 requires public companies to attest upon their internal controls over financial reporting. If an outsourcing arrangement is for a function that impacts financial reporting (e.g. payroll & benefits), management will need to ensure that its controls that monitor the performance of the vendor are working, and just as well, that the internal controls of the outsourcer are working as well. A type II SAS 70 Report (which is a separate audit of a service organization's internal controls) can often satisfy such requirements.

Regardless of the motive for outsourcing, a common denominator for ensuring the success of the relationship is the implementation of sound monitoring con-

trols. Companies who outsource should be motivated by the expected reduction in expenditures and increased time dedicated to focusing on core competencies.

Companies who provide outsourced services will be motivated by the need to keep their clients happy. 

Matt Snyder is Manager with Marcum & Kliegman LLP and specializes in SAS 70 compliance and is a founding member of the firm's Risks and Internal Controls Group. He can be reached at 212-981-3132 or via email at msnyder@mklp.com. Joshua Fromberg, a Marcum & Kliegman LLP staff accountant, also contributed to this article. Joshua can be reached at 212-981-3104 or via email at jfromberg@mklp.com.


Overview of the Energy Tax Incentives Act of 2005

TAX
TALK

by Diane Giordano, CPA, CFP, MS Taxation, Tax Manager

THIS JULY, President Bush signed the Energy Tax Incentives Act of 2005, which includes a package of tax breaks applicable to many industries. The Act includes tax incentives for consumers and energy production. Some of the highlights of the Act include:

- New tax credits for the purchase of hybrid and other alternative power vehicles. The size of the credit will vary depending on the vehicle's fuel economy.
- New 30% tax credit for the purchase of qualifying residential solar heating property. The maximum credit is \$2,000.
- New 30% business tax credit for the purchase of certain power plants.
- New 10% personal tax credit for energy efficient improvements to existing homes up to \$500 for property placed in service prior to January 1, 2008. Improvements include furnaces, water heaters, air conditioners and windows.
- New deduction for energy efficient commercial buildings meeting a 50% reduction standard.

- New manufacturer's tax credit for energy efficient appliances manufactured in 2006 and 2007.
- Builders get a credit for energy efficient homes built after 2005 up to \$2,000 per home.
- 15 year write-off for natural gas distribution lines (reduction from 20 years).
- New tax credits to investments in clean coal activities and other coal based projects.
- Change in amortization life related to pollution control.
- Tax credits for fuels produced from non-conventional sources eligible as a general business credit.
- Extension of tax incentives related to biodiesel fuels. 

The above summary includes only the highlights of the Act's most important provisions. Contact your M&K tax professional for more details on how you or your business may be affected.



M&K's Newsletter to Feature a "Litigation Corner"

by James T. Ashe, CPA, CFFA

MARCUM & KLIEGMAN LLP is pleased to announce a new column coming to its newsletter. The "Litigation Corner" column will be a recurring feature in *Beyond the Numbers*. Articles appearing in the "Litigation Corner" will be written by litigation service and business valuation professionals of Marcum & Kliegman LLP.

The articles will focus on educating the readers to understand the litigation and valuation processes, such as how to work effectively with professionals, interpreting the implications of high profile cases, and illustrating the benefits and pitfalls of actually going to court (versus mediation, arbitration or settlement). Our business valuation articles will keep readers up to date on approaches to valuation to minimize disputes with the taxing authorities, helping negotiate a sale or purchase price, and executing an effective buy-sell agreement and/or financial/estate plan.

Our first set of articles will focus on the initial process of deciding whether or not to litigate, what should you look for in a forensic accountant who will work effectively

for you as a plaintiff or defendant as well as your attorney. Future articles will build on this theme by addressing how attorneys should work effectively with forensic accountants to accomplish the mutual goal of proving a liability and damage associated with a plaintiff's legal action or to defend a lawsuit against you and/or your company for specified damages.

Anyone who has been involved in a lawsuit with another family member, former business partner, former employer/employee, competitor, former professional

representative, etc. will tell you that the process of suing someone or defending a lawsuit was one of the more difficult phases of their lives — the emotions attached to the filing of complaints, answers, discovery, depositions, "motion practice," negotiating, etc. stretch from indecisiveness, anger, disappointment, to excitement, happiness and relief, often all wrapped up within one day! Nothing in life prepares one for such a diverse emotional process; it is such a stressful experience that many marriages and other relationships are greatly affected during and after the legal process.

As a plaintiff, the first emotion to deal with is indecisiveness. You are experiencing

a confrontational situation — a person you respected or trusted has betrayed you. Most litigations result from this person taking action(s) (sometimes inaction). The action(s) or inaction by the possible defendant (e.g., your family member is stealing family assets; your business partner is diverting business; an employee has stolen trade secrets) becomes confrontational

because of differences in value systems or ethical standards and often are predicated on taking advantage of some economic or financial position. "We" becomes "me."

Many of these confrontational situations are caused by other behavioral patterns of a potential defendant — a gambling habit, the need to impress another person that is materialistic (yachts, jewels, exotic sport cars, etc.), drug dependency, or simply to "rob Paul to pay back Peter" after the same individual "robbed Peter to pay back Paul."

During this indecisive period, the recurring questions are:

- how could he or she have done this?
- what am I going to do now?
- do I bring a lawsuit?
- how do I stop him or her from continuing to do this?
- how much is this going to cost me?
- how does this affect my life going forward?
- when will my life go back to normal?



James T. Ashe, CPA, CFFA

Most people take months, sometimes years, after confrontational event(s) to finally decide to litigate or not. A lot of time is spent on the decision process — learning alternative ways to litigate, meeting financial or legal advisors, gathering documentary evidence to prove your suspicions, dealing with other things you find out during your own investigative process and discussing with your loved ones your eventual decision to file or not to file a lawsuit. (There is a "statute of limitations" called "latches," which limits the time that a potential plaintiff has to file a lawsuit.)

When meeting with a forensic accountant, both at this stage and throughout the legal process, it is imperative that you know the meaning of "SKEET."

SKEET is an acronym that actually comes from Rules of Federal Evidence, Section 702. Rules of Federal Evidence is a body of law that establishes guidelines for experts in order for them to qualify as experts and provide an opinion in court when every other witness must only be a

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Nothing in life prepares one for such a diverse emotional process; litigation is such a stressful experience that many marriages and other relationships are greatly affected during and after the legal process.

Medicaid Planning Can Protect Your Savings But Beware of Common Errors *(continued)*

Alzheimer's disease will soon discover that Medicare benefits are very limited.

Medicaid is a jointly-funded federal and state program that pays for nursing home care for seniors. However, unlike Medicare, there are strict income and asset guidelines which must be met in order to become eligible for benefits.

Fortunately, Congress has enacted laws to protect against spousal impoverishment when one spouse enters a nursing home, to permit certain transfers of assets and to preserve assets through legal means. Far too few middle-income Americans know about these rules.

Many Medicaid myths abound. Contrary to popular belief, Medicaid does not count your home as an asset and the nursing home does not take your home when you become a resident. In fact, there are significant limitations on what the state can recover from your estate on your death.

Medicaid planning is not illegal. Medicaid planning is ethical and is similar to tax planning. It is not illegal to reduce your tax liability by using the tax rules to your benefit. The same

principle applies to Medicaid planning. You can preserve assets provided that you comply with the Medicaid rules. Learning about these rules can help families from losing virtually their entire savings to pay for nursing home care.

Over the years, we have seen individuals make many mistakes when it comes to their own planning. Listed below is some of the more common estate planning errors:

- **Lack of or inadequate disability planning.** Many seniors fail to plan for the management of their financial and medical affairs if they become incapacitated. Others rely on inadequate or incomplete plans, such as joint bank accounts. A customized durable power of attorney and an advance medical directive should be parts of the estate plan of every senior.
- **Failure to plan for the cost of long-term care.** As stated above, long-term care is extremely expensive. However, many seniors do not adequately plan in advance. Long-term care planning

can be much more effective the earlier it is done.


- **Outdated wills and beneficiary designations.** Many people fail to regularly review and revise their estate plans. They frequently have wills or beneficiary designations for life insurance policies or retirement plan accounts that are outdated. Seniors should review their wills and beneficiary designations whenever there has been a significant change in their circumstances and at least every three to five years.
- **Poor choice of agent, trustee or executor.** The choice of an agent under a power of attorney and an advance medical directive, a trustee of a trust, or an executor of an estate is an important decision. Many people chose an agent, trustee or executor for the wrong reasons. For example, they chose their oldest child or the child who lives closest to them, however, they fail to consider whether this child has the ability, the time, or the respect of other family members, and the willingness to serve. In some cases, it is wise to appoint co-agents, co-trustees, or co-executors. In cases where members of the family are not getting along or there are other complex issues, it may be wise to appoint a professional to serve as agent, trustee or executor.

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- **Lack of adequate records.** Many seniors fail to keep organized records. This failure makes it difficult to assist them if they become disabled, or to settle their estates upon their deaths. They do not have or can not find the deeds to their real property, copies of their income tax returns, life insurance policies or bank statements. Seniors should maintain complete and organized records.
- **Overuse of revocable trusts, joint ownership or beneficiary designations.** Many seniors fear probate. As a result, they seek to avoid probate by executing revocable trusts, creating payable on death accounts and retitling assets jointly with the right of survivorship. However, the consequences of setting

up these types of accounts are often misunderstood. In many cases, an estate can be settled quickly and can provide for a convenient means to liquidate illiquid investments and provide for the payment of burial expenses, debts and taxes. For many seniors, a will is the better choice.

- **Failure to hold a family meeting.** Many family disputes can be eliminated or the damage minimized if the senior would hold a family meeting to discuss his or her estate planning objectives and the terms of his or her estate planning documents.
- **Inadequate financial planning.** Many seniors have accumulated diverse investments over their lifetimes. Frequently they hold these investments in accounts at several financial institutions without an overall investment plan and without adequate reporting of investment returns. It is generally a good idea for seniors to retain a financial planner to assist them in determining the appropriate level of investment risk to assume and to develop an asset allocation to maximize the investment return based on the assumed level of investment risk. The financial planner can also assist the senior in consolidating his or her investments and obtain improved reporting of investment returns.

Prior planning is important. There is no one right answer or form that is appropriate for everyone. An experienced elder law attorney can help seniors avoid these common estate planning errors. 

Bernard A. Krooks, J.D., CPA, LL.M (in taxation), CELA, is the founding partner of the law firm Littman Krooks LLP with offices in New York City and White Plains. Mr. Krooks is certified as an Elder Law Attorney by the National Elder Law Foundation. He is past President of the National Academy of Elder Law Attorneys (NAELA), President-Elect of the NY NAELA Chapter, and is past chair of the Elder Law Section of the New York State Bar Association (NYSBA). Mr. Krooks may be reached at 212-490-2020 or visit the firm's website at www.elderlawnewyork.com.

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Highlights of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005

By Diane Giordano, CPA, CFP, MS Taxation, Tax Manager

ON APRIL 20, 2005, President Bush signed this Act into Law. Its provisions became fully effective October 17, 2005.

The intent of this legislation was to prevent abuses to the current bankruptcy provisions. The Act implements numerous changes to the Bankruptcy Laws but makes no modifications to the Internal Revenue Code.

Under the provisions of the Act, it will be harder for individuals and businesses to wipe out debts related to medical, credit cards, car loans and other debt. The Law pushes toward requiring repayments and credit counseling. For example: Car loans would have to be repaid in order an individual to be able to keep a car. Any credit card debt incurred within three months of filing would also require repayments.

The Act was passed as a result of intense lobbying pressure from credit card

companies and banks. It is considered that most filings are deemed fraudulent. The average consumer pays \$400 annually for bankruptcy abuses.

The Act includes the implementation of forced repayment plans according to a means test of \$9,200 for single individuals and \$12,000 for married couples. Forced payments start at \$50 per month. The filings will also require greater documentation among other procedural changes including required credit counseling.

Another purpose of the Act is to discourage repeat filings by extending the waiting period between filings to eight years. Loss of job, illness and divorce will not effect the waiting period.


The Act also reprioritizes unsecured debt:

- Domestic support is a priority
- Tax discharges will not apply for failure

to file, late payment, fraud and willful evasion.

- IRS and State taxing authorities have greater power.
- Relief will not apply to taxes due within 240 days of filing.

In addition, the Act clarifies asset protection for Roth IRAs, education savings, coverable accounts and 529 Plans.

The above is solely meant to summarize some of the Act's major provisions. Additional information can be provided to you by asking your M&K tax professional. 

Diane Giordano, CPA, CFP, MS Taxation is a Tax Manager in Marcum & Kliegman LLP's Long Island Tax Department. She can be reached at 631-414-4532 or via email at dgiordano@mkllp.com.

M&K's Newsletter to Feature a "Litigation Corner" (continued)


fact witness. For an expert to qualify as an expert, they must possess:

Skill – the skill set to be able to analyze the documents in a litigation, to be able to ask a trier of fact in understanding and making a decision on a case (judge arbitrator, etc.).

Knowledge – the forensic accountant must have a general knowledge of the law, forensic approaches and the legal process. Quite often forensic accountants have to think "outside the box" and must possess the knowledge to understand the meaning of a set of numbers or actions taken by the litigants.

Experience – the forensic accountant must be experienced in the type of litigation being handled. Every forensic accountant has curricula vitae (CV) which, under Rules of Federal Evidence, will demonstrate his/her degree of experience. Often experience comes from the gut; from one's own experience.

Education/Training – the forensic accountant should have gone through formal education programs to learn techniques to investigate historical events, dissect financial records, investigate unusual transactions (misappropriations, intentional miscategorizations, falsified records, etc.) and to focus on the relevant areas of a forensic audit.

To make that final decision to either try to work out your differences or to litigate, make sure that those people you consult possess SKEET so that your decision is conscientious, prudent, and the right decision! 

James (Jim) T. Ashe, CPA, CFFA, is the Partner-in-Charge of Marcum & Kliegman LLP's Litigation Services and Business Valuation Group. With over 25 years of professional forensic accounting and tax experience, Jim is a much sought-after consultant in both tax-related matters and in legal disputes. He can be reached at 631-414-4240 or via email at jashe@mkllp.com.

IRS Increases Mileage Rate

By Diane Giordano, CPA, CFP, Tax Manager

THE INTERNAL Revenue Service has increased the mileage rate used for vehicles on the job. The mid-year raise in rate has been increased to 48.5 cents per mile from 40.5 cents. The increase applies to business-use mileage between September 1, 2005 to the end of the year.

The Internal Revenue Service Commissioner has stated that the raise in the benchmark is a result in the surge in gasoline prices.

Additional legislation is also in the works to raise the reimbursement rate to 60 cents.

If you have any questions related to the above article please contact your M&K tax professional.

Inside Marcum & Kliegman LLP

Climbing the Ranks

Marcum & Kliegman LLP, Certified Public Accountants and Consultants, was named as the nation's 27th largest accounting firm in *Public Accounting Report's* 2005 Top 100 annual survey. Additionally, in a subsequent report by the same publication, Marcum & Kliegman was selected as one of the top 10 Fastest Growing Accounting Firms in the nation for 2005.

Professional Events and Accomplishments

On July 25 and 26, 2005, Financial Research Associates LLC held a conference entitled Family Office Business Operations. Partner **Philip Strassler** was a member of the Conference Advisory Board. Philip and Partner **Rorrie Gregorio** were also featured speakers at the event.

Principal **Steven P. Bryde** gave a speech entitled "The Changing Landscape for Continued Use of Royalty & Finance Companies — Can You Still "PIC" Your Relatives," on June 15, 2005 at the semi-annual Leading Edge-SALT Special Interest Group, held outside Chicago.

The *CPA Journal*, a respected accounting industry periodical will be publishing an article entitled, "The American Jobs Creation Act: Record Keeping Complexity & Elimination of Planning Strategies" in an upcoming issue. The article was authored by Partners **Philip Strassler** and **Keith Blitzer**, Manager **Jean-Paul Schwarz** and M&K alum Benjamin Levy.

James T. Ashe, CPA, CFFA, Partner-in-Charge of the Litigation Support Department, at Marcum & Kliegman LLP was recently awarded the Certified Forensic Financial Analyst credentials by the National Association of Certified Valuation Analysts. This certification makes Mr. Ashe only the third person on Long Island to hold this title and one of only 66 individuals in the nation to have earned such a designation.

Partner **John Green** spoke at the Accountants World Symposium on June

21 in New York City. The topic was "The Deafening Sounds of Silence — How Sarbanes-Oxley Impacts Your Firm and Clients." More than 200 accountants were in attendance from all over the country.

Marcum & Kliegman participated in the Nassau Suffolk Chamber of Commerce "Back To Business" tradeshow on September 21 at the Huntington Townhouse. M&K raffled off a \$100 American Express gift check to one lucky attendee, as well as several other prizes.

Creative Director **Saskia Monteiro Thomson** was recognized by *Long Island Business News* as a Marketing Achiever for 2005, and Audit Partner **Greg Giugliano** was recognized by the paper's Who's Who in Audit Accounting feature.

Congratulations to **Guergana Rangatcheva** on passing the CPA exam.

Charitable Events

Over the summer, **Marcum & Kliegman** participated in the Hauppauge Industrial Association's Summer Food Drive. Food collected was distributed to 40,000 needy

children on Long Island.

Under the encouragement of Audit Director **Barbara Sena**, M&K once again joined en masse the American Cancer Society's annual Strides Against Breast Cancer Walk, held at Jones Beach on October 16th. This year, the firm raised almost \$14,000 to support the breast cancer research and education. This year, Managing Partner **Jeffrey Weiner** once again generously matched, dollar for dollar, all M&K employee donations.

Marcum & Kliegman raised more than \$8,500 in funds to support hurricane relief efforts. Specifically, the money was donated to Habitat for Humanity to help rebuild thousands of homes that were lost during the wrath of Hurricane Katrina and the American Red Cross. The firm matched all individual employee donations.

Marcum & Kliegman, in conjunction with the NYSSCPAs, sponsored the CPAs for a Cause 5K Run/Walk on September 16 at Eisenhower Park. All proceeds from the event benefited Island Harvest.

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The photos are in and once again, fun was had by all at the annual Chase Corporate Challenge at Jones Beach. In keeping with tradition, Marcum & Kliegman assembled a team of runners and walkers and gathered afterwards for food and refreshments. Special thanks to Marketing Assistant **Tiffany Condon** for organizing and coordinating the entire event on behalf of the firm.



Inside Marcum & Kliegman LLP

Partner **David First** once again led the firm's participation in the Light The Night Walk to support The Leukemia & Lymphoma Society in their work to find a cure and support the patients and their families through all aspects of treatment. The event took place on September 24th, 2005. M&K raised \$8,500.

Tax Supervisor **Wendy Wiesel** and her husband Jack led the firm's participation in the Long Island walk to D'Feet ALS on Sunday, September 25th at Eisenhower Park. ALS, commonly known as Lou Gehrig's disease, is a progressive neuromuscular disease that deprives its victims of muscle ability in their arms, legs and hands.

On October 2, Partner **Beth Weiner** gathered a team of M&Kers to join in the Walk to Cure Juvenile Diabetes to support the Juvenile Diabetes Research Foundation.

The firm participated in Lee National Denim Day to support the Susan G. Komen Foundation which funds breast cancer research. This year Marcum & Kliegman raised a total of \$1,160.

M&K Welcomes

LONG ISLAND OFFICE

Anthony Basile, Manager, Audit Dept.
Ashish Batra, Manager, Hedge Fund Dept.
David Dias, Staff, Audit Dept.
Stewart Ephraim, Supervisor, Tax Dept.
Yelena Foskarino, Application Programmer, M&K InterNetworking Security Services
Ross Hall, Senior, Audit Dept.
Danny Kim, Staff Accountant, Audit Dept.

Managing Partner **Jeffrey M. Weiner** addressed the entire firm at its annual State of the Firm Address held at the Old Westbury Golf and Country Club on September 23, 2005.



Lijie Liu, Staff Accountant, Hedge Fund Dept.
Amy Lynch, Inside Sales Consultant, M&K InterNetworking Security Services
Lisa Montalbano, Staff, Audit Dept.
Jack Morelli, Senior Account Manager, M&K InterNetworking Security Services
Edward Palmese, Senior Accountant, Audit Dept.
Richard Paris, Human Resources Director
Yara Pret, Staff, Audit Dept.
Rocco Resciniti, Senior Account Manager, M&K InterNetworking Security Services
Bradley Russo, Staff, Audit Dept.
Bianca Santiago, Staff Accountant, Tax Dept.
James Sorenson, Intern, Tax Dept.
Doli Taveras, Senior, Accounting Services Dept.
Teresa Zaino, Staff Accountant, Accounting Services Dept.
Milton Zuniga, Staff Accountant, Tax Dept.

NEW YORK CITY OFFICE

Ben Benzel, Staff Accountant, Audit Dept.
Shari DiBitetto, Senior, Tax Dept.
Sara Ebbert, Staff, Audit Dept.
John Klenner, Manager, Audit Dept.
Sukhpreet Kohli, Supervisor, Audit Dept.
Jonathan Kushner, Senior Accountant, Tax Dept.
Leonard Lubin, Manager, Audit Dept.
Christopher Mooney, Staff, Audit Dept.
Ritchie Pagunsan, Manager, Audit Dept.
Andrew Park, Staff, Hedge Fund Dept.
Rakesh Vijayan, Staff, Audit Dept.

On the Move

Tom Halecky to our LI Audit Department...
Bruce Roff transferred to the LI Audit Department... **Lauren Federico** transferred to our NYC Hedge Fund department as a Staff Accountant... **Nicole Vallance** assumed the receptionist position in our NYC office... **John Rushford** transferred to the NYC Audit Department.

Weddings and Babies

Congratulations to Marketing Assistant **Tiffany Condon** on her recent engagement to P.J. Petty... to Joseph and **Kathy Connolly** on the birth of their daughter... to Michael and **Michele Valenti** on the

Promotions

Marcum & Kliegman LLP is pleased to announce the following promotions effective July 1, 2005:

LI ACCOUNTING SERVICES

Ron Storch • Partner

LI AUDIT

Rich Cooke • Partner
Dave Bender • Director
Monte Singh • Manager
Jen Anzelone • Supervisor
Phil Gerenia • Supervisor
James Meehan • Senior
Mark Teplitzky • Senior

HEDGE FUND

Dennis Schall • Partner
Marni Pankin • Director
Fran Frankel • Manager
Guergana Rangatcheva • Senior

LI TAX

Dana Belmonte • Senior
Arthur Buscemi • Senior
Tom Coyle • Senior

NYC AUDIT

John Rushford • Director
Anson Augustine • Supervisor
Sunil Madray • Supervisor
Rich Ricigliano • Supervisor
Rob Radovich • Supervisor
Larry Adames • Senior
Steve Churneftsky • Senior
Dane Maitland • Senior
Jennifer Reid • Senior

NYC TAX

Ron Finkelstein • Partner
Steve Goldberg • Director
Jingxia Zeng • Manager
Dennis Zinkevich • Supervisor
Therizza Alvarez • Senior

birth of their son... to Anna and **Steve Churneftsky** on the birth of their daughter... to **Linda Zhang** and her husband Joe on the birth of their twin babies... to **David Bukzin** and Merrie Poster-Bukzin on the birth of their son... and to Michelle and **Bill Grotheer** on the birth of their son.

Marcum & Kliegman LLP Announces the Promotion of Four Managers to Partners

MARCUM & KLIEGMAN LLP is pleased to announce that Richard L. Cooke, CPA, Ronald M. Finkelstein, CPA, JD, Dennis J. Schall, CPA, and Ronald Storch, CPA have been named Partners, effective July 1st. All four individuals have been with the firm for several years and have been promoted to Partner based on their exceptional contributions to the firm.

Richard L. Cooke,

CPA (35) joined Marcum & Kliegman in 1997 as a supervisor in the firm's audit department. He was promoted to Manager in 1999, and Partner in 2005. He has over 14 years of experience in audit, due diligence and business consulting engagements for closely-held and public companies. Rich's industry expertise includes manufacturing, software development, prescription benefits management, apparel and textile and biotechnology. He is a member of the firm's SEC Practice Group, and spear-headed the launch and establishment of the firm's Riverhead office.



Ronald M. Finkelstein,

CPA, JD (44) started his tenure at Marcum & Kliegman as a Tax Manager in 2001 and was promoted to Partner this July. In this capacity, he will co-manage (with Partner David First) the Trusts and Estates Practice Group from the firm's New York City office. Ron possesses broad experience and in-depth expertise in counseling affluent clients regarding their personal estate and business planning, pre- and post-death tax planning for individuals, trusts and estates, and preparation and filing of tax returns, including estate, gift and fiduciary income tax returns.



Dennis J. Schall,

CPA (39) began his career with Marcum & Kliegman in 1996, and was promoted to Manager in 1999. As Partner, Dennis will continue to specialize in services for clients in the private equity and technology industries and participate in the Hedge Fund/Investment Partnership and SEC Practice Groups out of the New York City office. His expertise in these business sectors encompasses private company valuations, structuring business combinations, counseling start-up entities and evaluating and structuring various types of debt and equity financing arrangements.



Ronald Storch, CPA

(38) joined Marcum & Kliegman in 1996, and served as a Manager until July of 2004, at which point he was promoted to Director and Department Head of the Accounting Services Department of the Long Island office. As Partner, Ron will continue to lead the department, managing a number of staff professionals and providing accounting, business consulting and tax services to a broad range of clients, with an emphasis on serving non-public, closely-held businesses.



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