

Long Island
BusinessNEWS

2015

**FINANCE &
ACCOUNTING
GUIDE**



A LONG ISLAND BUSINESS NEWS PUBLICATION

Not just accountants

CPA FIRMS HAVE EVOLVED TO PROVIDE A WIDE RANGE OF SERVICES

By Eric Santiago

Accounting firms can do a lot more than just file taxes and produce audits. Many also offer consulting services in fields as widespread as special education and cybersecurity. These areas provide accounting firms with enhanced opportunities to distinguish themselves.

"It's just the nature of the beast," said Kenneth Cerini, the managing partner of Cerini & Associates, an accounting firm based in Bohemia. "Clients are constantly asking their accountants, 'Can you help me this?' Accountants have that analytical background that can help."

Cerini's firm is one of the few on Long Island that specializes in providing special education consulting to schools. New York State funding for special education programs is based on a complicated system where funding is only consistently provided if it's being used.

"If I spend too little in each classroom, I have to give the money I didn't spend back," Cerini explained. "If I spend too much money in a program, my rate stays intact but I have a loss. You have to spend the exact amount of money."

This is the funding that's used to help hire teachers and teacher aids and supply the technology that's used in

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special education classrooms. Cerini's firm helps its clients navigate the state's requirements.

"For a lot of the stuff we do as accountants, we're historians or we're a necessary evil," Cerini said. "Here we feel like we're really making a difference."

Making that difference comes down



TONY DALESSIO: Increasing government regulations have provided accounting firms with myriad consulting opportunities.

to the available opportunities, as well as the resources on hand.

According to Tony Dalessio, the managing partner of KPMG's Melville office, increasing government regulations is one the biggest opportunities on which his firm has been able to capitalize.

"The risk and regulatory environment is creating many opportunities for advisory work," he said.

The banking and healthcare industries are just two of the fields on which KPMG consults. One of the main factors Dalessio attributes to KPMG's success is its diverse staff.

"We have the subject matter professionals by industry, who actually know the business," he said.

The larger accounting firms have global reach, and with offices in 155 countries, KPMG is able to assist its clients when doing business internationally.

"If [the client] wants to do something in let's say, Brazil, and if you don't have an office in Brazil it may be difficult," he said. "But when you have people on the ground, it's quite easy"

It's this notion of serving multiple needs of clients that motivates Carolyn Mazzenga, managing partner of Marcum's Melville office.

"We want to be able to provide the

best possible advice for our clients," Mazzenga said. "That means being able to meet whatever needs they might have."

Marcum is one of many accounting firms that provides technology assurance services. It also provides consulting services in cybersecurity, real estate, forensics and many other fields.

According to Mazzenga, accounting firms are the ones providing these services because they already have a close working relationship with their clients.

"They've already got a comfort level with you," she said. "You know their business and their goals."

Joel Cooperman, CEO of Citrin Cooperman, agrees.

"Accounting firms tend to work very closely with the owners of businesses," said Cooperman, whose firm has offices in Plainview. "They're really able to identify the clients' fears — what keeps the clients up at night."

The firm's myriad advisory services include providing financial crisis solutions, business consulting and human resources consulting, in addition to having insight into many other fields.

When it comes to looking for new areas for expansion, Cooperman stressed the need to look ahead.



CAROLYN MAZZENGA: Her firm provides consulting services in cybersecurity, real estate, technology assurance and other areas.

"We strategize frequently as to where we think the industry is going and what we need to do to stay ahead of it," he said.

But there's another piece of the puzzle to understand when examining the consulting services provided by accounting firms. According to the firms that spoke with LIBN, traditional audit and tax services are often perceived by clients to be a commodity.

The reason for this, says Cooperman, is that most managers already have projections for what their tax returns or financial statements will look like by the time accountants submit their reports.

"An accounting firm is basically coming in after the fact to confirm what they know," he said. "Whereas with consulting services, you're giving them something immediate and it's what they need and want."

Cerini, however, argues that value can be added within the more traditional accounting services. In one audit, Cerini discovered the client had been paying too much money in workers' compensation.

"They were able to go back to workers' compensation and request an audit," he said.

And the client "got back a couple hundred thousand dollars," he said. "You tell me that's a commodity?"