BLOCKCHAIN - TODAY AND TOMORROW by Thomas G. Stephens, Jr., CPA, CITP, CGMA

For several years now, you have likely been hearing about “blockchain” and its potential impact on organizations of all sizes and in all lines of business. Yet, blockchain remains a mystery to many professionals, not only in terms of what it is, but also how it will potentially be used to drive the results many are expecting. Read on, and in this article, you will learn what blockchain is, how it is being used today, and how it likely will be used in the future to produce desirable outcomes.

What is Blockchain?
At its core, blockchain is an electronic, shared, distributed ledger that can be used to record transactions and track virtually any type of asset across a network. The assets that blockchain can track can be “hard” assets such as personal property or real estate, or they can be “soft” assets such as intellectual property. Blockchain is a core technology that facilitates other applications and solutions. For example, Bitcoin is the most widely known application in use today that takes advantage of blockchain technology. Just as the applications on your computer run on top of an operating system – likely Microsoft’s Windows or Apple’s MacOS – so, too, do applications run on top of blockchain. In this regard, blockchain can be thought of as an “operating system” for commerce.

In a traditional, non-blockchain environment, each party to a transaction keeps its own set of records. For example, a bank would maintain its own ledger of a customer’s activities and so too would the customer. Periodically, a third-party auditor might be brought in to compare the two sets of records to ensure their agreement. However, in a blockchain environment, all parties to a transaction have access to the same ledger because the ledger is replicated to each party every time a transaction occurs or is updated; therefore, the data remains
December 2018

PRESIDENTS MESSAGE

Steven Britsch, CPA

Our weather has gone from summer to winter and now back to fall. I don’t know about all areas of the state, but here in Devils Lake we had a good eight inches of snow on the ground prior to Thanksgiving and now as we approach Christmas the snow is gone. Will winter make its permanent appearance? Yea, I know, wishful thinking.

As I write this in early December the US House and Senate have each passed similar yet different tax reform bills. We await the reconciliation process to begin. If this process is successful then off to the President’s desk for his signature. If you are as old as me, you might recall the Saturday morning carton on how a bill becomes a law. For those of us who live in the tax world, who would have guessed when we were choosing our future profession that politics would play such a prominent role in our jobs. I think we should each go back to our respective colleges and receive an honorary degree in political science (not that there is much science in politics). Anyway, tax planning is once again filled with unknowns that our clients look to us for answers. The AICPA’s website has good information available to assist in keeping us as up-to-date as possible. Further, the NDCPA Society tax committee has recently held a productive one hour conference call with Congressmen Cramer, a conference call is scheduled with Senator Heitkamp and the committee is working on setting up a time with Senator Hoeven. The North Dakota CPA’s voice is being heard by our congressional delegation!

This October, I attended the fall AICPA council meeting in San Antonio Texas. I learned early that everything in Texas is in fact bigger. Our Uber driver picked us up from the airport in a Dodge 1500 4X4 pickup. The accountant in me was calculating how much the driver was losing by driving this truck. The council meeting was full of information concerning the effects of technology to our profession and how technology will be changing the role of the CPA. Don’t worry there will always be a need for CPAs, just that our roles might look different. With artificial intelligence becoming more prominent in our profession we will be asked to do more data analytics and have computers do the “grunt” work and thereby leaving the higher-level consulting to us. Over the coming years look for this to be a topic for CPE to help us prepare for our future.

As I mentioned in the last newsletter, the Society is in a year of transition. With Jim’s impending retirement, our search for our very first NDCPA Society only executive director is in process. We are also in the process of looking for new office space, as our current landlord needs the space we currently use. I will try to keep you up-to-date with this process as we go forward. I would like to personally thank Jim Abbot for his extra efforts to ensure a smooth transition and to Clarence Sitter who is the chairperson of the transition team.

I sincerely wish you a Merry Christmas and may your debits equal your credits in the New Year.

Welcome

NEW MEMBERS

KateLynn Albers, Minot
Misty Baumgartner, West Fargo
Gene Beneke, Fargo
Deane Bjornson, Cavalier
Kaia Brooks, Twin Valley
Josh Buerkley, Fargo
Yubin Chen, Grand Forks
Aditi Dutta, Fargo
Caitlin Evenson, Edinburg
Katie Frank, Fargo
Kelly Fritel, Dunn Center
Anthony Gerving-Hellman, Bismarck
Alex Grivna, Moorhead
Ryan Haines, Moorhead
Amber Hermes, Grand Rapids
Audrey Hono, Moorhead
Mary Jensen, Grand Forks
Yiwen Jiang, Fargo
Andrew Johnson, Foxhome
Emma Johnson, Grand Forks
Amber Jordan, Dickinson
Randi Julson, Grand Forks
Samuel Kadry, Fargo
Bryce Karel, Grand Forks
Amelia Kimball, Bo Li, Chadstone
Yi Li, Fargo
Devon Liljenquist, Fargo
Wenli Liu, Chengdu
Jessica Marhn, Fargo
Elizabeth McDowell, Grand Forks
Moses Mukori, Moorhead
Jacob Oleksik, Grand Forks
Erin Olson, Williston
Shalalyn Phelps, Bismarck
Zach Plante, McIntosh
Katelynn Presser, Fargo
Samantha Reynolds, Claremont
Aaron Rients, Grand Forks
Dayna Rothenbacher, E Grand Forks
Ali Saeedi Velashani, Grand Forks
Charles Schmidt, Fargo
Maria Sears, Grand Forks
McKenzie Taylor, Fargo
Jason Vaagen, Surrey
Ross Wicklund, Horace
Jonathan Williams, Salt Lake City
Li Yunjing, Moorhead
Summer Zito, Fargo
OPPORTUNITY KNOCKING

Yes, it’s a volunteer role but a rather nice one.

North Dakota will be nominating a CPA for a 3-year role on the AICPA governing Council. The role begins May 2019, but they’d like the Society’s selection by late January.

The role involves three meetings during the year – a part-day session in March, plus May and October sessions of about 3 days each. In addition to the governing role, there is exposure to informative content from AICPA leaders as well as outside speakers. It’s also an opportunity to build connections with CPAs from around the country.

To apply for the role, submit a letter to the Society Board by Jan. 15 (email jabbott@ndcpas.org). Share your reasons for being interested, your commitment to actively participate and share information with members (through reports to the Society Board and through the newsletter). Feel free to include other experiences and activities you feel are relevant.

All letters of interest will be shared with the Board, who will make the selection. AICPA membership is required.

HOLMSTROM NAMED SHAREHOLDER AT WIDMER ROEL

Tonya Holmstrom, CPA has been named shareholder at Widmer Roel, a public accounting and business advisory firm, with offices in Fargo, Bismarck and Hazen, North Dakota.

A graduate of the University of Jamestown, Tonya has more than 12 years of public accounting experience, with emphasis in business, individual, and non-profit income taxation. She specializes in income tax consulting and compliance, and business planning for a wide range of clients.

Holmstrom is a member of the American Institute of Certified Public Accountants and North Dakota Society of Certified Public Accountants. She is also a member of the Bismarck Optimist Club and serves on the board for the Missouri Valley Family YMCA.

IN MEMORIAM

Janelle Mulroy, a shareholder with Brady Martz and Associates, P.C., passed away on November 15, 2017. She began her career with the firm in 1992 and specialized in the government and non-profit industries. She will always be remembered for her positive impact on the firm, her clients and all her friends.
Christel Laskowski, CPA

**Position:** Business Manager, Verendrye Electric Cooperative

**Job Responsibilities:** Financial forecasting, budgeting, rate structure, financial statement preparation, cash management, purchasing approvals, employee benefits and compliance, employment recruiting, retention and mediation, government compliance, reporting to the Board of Directors, member and employee presentations, communications and education, implementation of technology, supervise employees, policy and strategy development, wellness champion, and overall a team player.

**Employment Background:** Began my career at Eide Bailly, a public accounting firm, right out of college. Left Eide Bailly as an audit senior manager and took on the role of Business Manager (CFO) at Verendrye Electric Cooperative, Inc. Have been with Verendrye for eight years.

**Professional Activities:** Member of AICPA, ND State Board of Accountancy, ND Society of CPA’s, Vice-President on the Board for the ND REC Benefit Trust, Vice-Chair of the National Information Solutions Cooperative Member Advisory Committee, and a founding member of Women Connect

**Birthplace:** Minot, ND

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Ryan Bakke, CPA

**Hometown:** Minot, ND

**First job ever:** Minot Country Club – Outside Services (i.e bag boy)

**How did you decide to be an accountant?** My father was a CPA and shareholder of a firm. I have always been a detailed person who likes numbers so it seemed like a good fit for me.

**Alma Mater/Degree:** University of North Dakota – Bachelor of Accountancy (2006)

**Current Position:** Shareholder (just over 3 years)

**Professional/Community Activities:** I am currently on the board for the North Dakota CPA Society and president of the Minot Chapter.

**What did you do to celebrate passing the exam?** I took two parts while in school and two that following summer. Likely I told my family I passed and went golfing.

**Hobbies and Pastimes:** I enjoy playing golf, watching sports, playing with my wonderful kids, and spending time with my family at the lake.

**Family:** Currently married to my wife Sarah and two kids (Harper 5 and Georgia 2)...but another child set to arrive in June 2018! I also have a brother who works for our Brady Martz Bismarck office and two dogs- Calvin & Lucy.

**Dream vacation:** Wow tough question – I would love to have a chance to play golf at Augusta National but would settle for Pebble Beach!

**The best advice you ever received:** One of my accounting professors told us to “never burn any bridges.” You never know when you might need help or to work with that person. Thanks Dr. Loyland!

**Something most people don’t know about you:** I don’t care for clowns – it all started when I was very young and my mom hired a clown for my birthday! I also am very intrigued by forensic science – I love the show Forensic Files!

**Something someone has said to you this week:** My youngest daughter hugged me and said “I love you daddy.”
Young CPAs in business and industry reveal its pros and cons

CPAs in public accounting sometimes wonder what it would be like working in business and industry. While every workplace is different, this article brings together the experiences of five CPAs who work for private companies, Alan Duncan, Elsa Jacobs, Givenson Piard, Rachael Sarson-Smith, and Austin Schuerig, graduates of the AICPA Leadership Academy, discuss the sometimes-surprising aspects of being a CPA in B&I.

It’s not always easy to make the switch from public to B&I. Experience gained in public accounting is useful in business and industry, say CPAs who’ve worked in both, but that doesn’t make for a seamless transition. Some of them find the move much more of a challenge than they had anticipated.

Schuerig moved a year ago from a CPA firm to working as a treasury manager for Simms Fishing Products in Bozeman, Mont., and it has taken him that long to feel he has mastered the technical challenges of his current job—including the enterprise resource planning (ERP) system.

You’ll need to change the way you speak to colleagues. Moving to business and industry often means adjusting to a very different corporate culture and having to learn a new business language. Duncan, a controller at RCP Companies, a boutique real estate company in Huntsville, Ala., noted that his perspective on what he needed to know changed when he moved out of public accounting.

“Coming out of public accounting, I was acclimated to an environment that operated in an arena that was an inch deep and a mile wide,” he said, “whereas my stepping into industry brought me in to a new arena that was a mile deep and an inch wide, in many ways.” That meant Duncan spent a lot of his time in his first year on the job learning “industry terms, KPIs, and the general thought process.”

It may feel less structured. Duncan was surprised by the comparative lack of structure he experienced with a young, fast-growing company. “I think most of this shock came from my transition out of a highly structured environment and into an environment where everyone kind of set their own agenda and priorities,” he said.

You may have to adapt to new ways of working. Software and other tools vary widely from company to company. Jacobs left a Big Four accounting firm in 2011 to become manager of tax compliance with insurance company Asurion in Nashville, Tenn., and found her new employer had a very different approach. She is now a senior manager in tax accounting.

“When I came over, they were still working with paper, and I was used to doing everything paperless,” she said. “Thankfully my company is really accepting of change, and doing new initiatives and becoming more efficient, so I was able to get us on a paperless system for tax returns.”

There are benefits to working in business and industry. Positives the CPAs noticed can include ample time for family and life outside work, colleagues with a broad range of experience and professional skills, and flexibility. Jacobs enjoys having a more flexible schedule and a more relaxed dress code.

The route to the top isn’t as clear. CPAs who transition to business and industry may discover that the line of career advancement, which in a public accounting firm moves fairly linearly from staff to manager to partner, branches in multiple directions in the private world.

Sarson-Smith is a corporate staff accountant at national hotel-management company White Lodging Services, based in Merrillville, Ind. She has learned that opportunities in business and industry may lead to a job in another department, such as asset management or human resources. “In public accounting, the end goal is partner,” she said, “which is a great goal to have, but in industry there are definitely a lot of options that I have as I learn more about my company and develop.”

It may be harder to advance. Piard left a Big Four firm in 2014 as a manager, worked in business and industry, and is now a consultant for BlackLine, an accounting software company. Corporate structure can be an obstacle to advancement in business and industry, he said.

“You might find yourself stuck in a position for many years because the natural progression of the role would require the person above you to retire or get a promotion or move someplace else,” he said.

Jacobs offered a similar perspective: “Some people may have to change jobs to move up.”

While the people we spoke with generally found satisfaction in their moves, they all found positives on both sides of the public-private divide. Duncan takes comfort in knowing the bridge over that divide has traffic moving in both directions.

“I love public accounting, and I’ve got a great respect for it,” he said. “It may or may not be something that I’ll do again someday. I’m having a blast doing what I’m doing now, and I’m very grateful to know there’s another side to the profession out there that I absolutely love doing.”

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WHEN IS THE RIGHT TIME?
Jim Abbott, Executive Director

That depends when you said “I do”, you were probably quite sure; maybe even without a pro and con list! When to buy is another timing question. JCPenney stock is near a very-long-time low. It can’t go any lower, right? I hope not; I’ve already placed some bets. When to sell can be a challenge. You can’t sell if the price is below what you paid! You don’t want to sell if it just keeps on climbing; you don’t want to miss out on the run.

Then there’s retirement. When is the right time? Here’s a 2-question approach you could try.

Question 1: Can I? Question 2: Is there something else I want to do, but can’t with a regular job?

The first question is all “the number” 1. How much do you need to support yourself without a paycheck? So, you tally up expenses (add a good cushion !), and see if there’s enough to provide enough cashflow -- with Social Security, pension, investment income, bingo winnings, etc.

The second question may not be too difficult either. Are there things you really want to do, but can’t with a daily job. Suggestion: don’t put all your travel in this category. Instead travel as soon as reasonably possible. It doesn’t take much to throw you into the “can’t travel” status; it just takes a foot or knee issue, or a new anxiety about airline travel. Let’s go now, while we can but if your bucket list calls for a year on the Orkney Islands, Prince Edward Island, or Fiji ... that’s a little tougher to do and still hold a day job. Maybe you’d like to work in disaster recovery, helping people cope. Or live awhile in a small French village; again, a little tougher to do with typical work roles. But there is the 4-Hour Workweek2.

So, it may be time to consider a change. If you’ve seen the sights on your list, love what you do at work, and don’t have stuff you want to do that work won’t allow .... then why not keep going?! Retiring “because it’s time”, without a good alternative life plan, could be a bad idea. Three months watching TV and scanning email just might turn into something much different than that relaxing retirement you envisioned.

So the timing depends ....

1 The Number ... by Lee Eisenberg (as little as $.10, on Amazon)
2 The 4-Hour Workweek ... by Timothy Ferriss (about $7.5, on Amazon)

CPAS NO LONGER LICENSED IN NORTH DAKOTA

Listed below are CPAs no longer licensed in the state of North Dakota due to unfilled obligations. As a result, they may not perform accounting services for the public or use the credential “CPA”.

CPAs and their firms have an annual obligation to renew their certificate and license. If they perform accounting work for the public, they also must participate in specific amounts of CPE. In most cases, public accounting firms are expected to participate in a practice review process. Contact the Board of Accounting, at 800-532-5904, with questions.

Gary Mischel, Cape Coral, FL
Michael Munns, Mason City, IA
Barbara Pratt, Lake City MN
Kyle Dawley, Minneapolis, MN
Bruce Smith, North Mankato, MN
Kelly Doda, Crookston, MN
Carleen Shilling, Keystone, SD
Bruce Gaughan, Casselton, ND
Michael Leighton, Grafton, ND
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Mrunal Karve, Palghar, India
Bhavit Sethi, Bangalore, India
Binod Arjunan, Kuwait City, Kuwait

SOCIETY AWARDS

The Making a Difference Award is available to recognize contributions in the community, within education, or with the CPA Society. Recipients must be a CPA and Society member. To nominate, see ndcpas.org/awards. Nominations are due July 31.

Life Membership is available to recognize long-standing Society participation. The recipient must be a CPA and retired (not employed full time and 60 or older). Generally the award will be presented to a CPA who has been actively involved over a number of years. To nominate or apply,
WEBINARS

Please note that payment must accompany your online registration in order to get log in information for the webinar.

WEBINARS

JANUARY
3  Review of Significant Accounting Topics (RSAT)
4  Professional Conduct & Ethics Webcast: Dealing with Ethical Crises (PRCO4)
4  Closely Held Business Owner Financial Planning Opportunities (FPCHB)
5  MN Tax Advisers Update (Webinar)
5  Social Security: Advanced Education and Training
5  Effective Workpaper Techniques: Building a Better Workpaper (EWTB)
8  Entity Choice - Tax Considerations (ECTX)
8  Windows 10 Tips And Tricks (W10)
9  Social Security Basics and Strategies For Maximizing Benefits (BPSS)
9  Leases: Is it a Lease? (Topic 842-10) (LESO)
10  Fundamentals of 1031 Exchanges (T1031)
10  Audit Standards Update: Clarifying Risk Assessment
10  Everyday Ethics: Doing Well by Doing Good Ethics
10  New Manager Series: The How To’s of Leading
12  Tax Considerations for Buying and Selling a Business
15  Corporate Finance Checkup: Renovate Your Analytical Toolbox (CFCH)
15  COSO: ERM for Small and Medium-Sized Enterprises
16  Leases: Lessee (Topic 842-20) (LESE)
16  Accounting and Auditing Update (AAAU)
17  Other Comprehensive Basis of Accounting Fundamentals (CBOA)
18  Professional Conduct & Ethics: Dealing with Ethical Crises (PRCO4)
18  Cash and Credit Management (CASH)
18  Cutting Edge Tax Strategies: Representing Clients in IRS Audits and Appeals (PTADR)
19  Creating an Internal Control Implementation Process
19  Excel Power User Module 7: Introduction to PivotTables (EPU7)
19  Advanced Personal Financial Planning Update
22  Corporate Tax Planning: Strategies and Ideas
22  Introduction to International Taxation
23  Preserving Independence and Otherwise Complying with the New AICPA Code of Professional Conduct

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LIST THE EVENTS YOU WOULD LIKE TO ATTEND

Title or Acronym   Date   Price

MATERIALS

All handout materials will be distributed electronically. Please watch for an email approximately five days prior to the session. Also, please add cpe@ndcpas.org to your safe senders list.

PLEASE CHECK ALL THAT APPLY

☑ NDCPAS Member   ☐ AICPA Member
☑ CPE Learners Permit   ☐ Other Society (list)
☐ Special Needs? Please attach a description

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Annual Filing Season Program
The Annual Filing Season Program aims to recognize the efforts of non-credentialed return preparers who aspire to a higher level of professionalism. Those who choose to participate can meet the requirements by obtaining 18 hours of continuing education, including a six-hour federal tax law refresher course with a test. The return preparer must also renew their preparer tax identification number (PTIN) for the upcoming year and consent to adhere to the obligations in Circular 230, Subpart B and section 10.51.

Upon completion of these requirements, the return preparer receives an Annual Filing Season Program – Record of Completion from the IRS.

Annual Filing Season Program participants are included in a public database of return preparers on the IRS website. The Directory of Federal Tax Return Preparers with Credentials and Select Qualifications includes the name, city, state, ZIP Code, and credentials of all attorneys, CPAs, enrolled agents, enrolled retirement plan agents, and enrolled actuaries with a valid PTIN, as well as all Annual Filing Season Program – Record of Completion holders.

Review the general requirements for the Annual Filing Season Program.

2018 PTIN Renewal Period Underway for Tax Professionals
The Internal Revenue Service today reminded the nation’s more than 727,000 federal tax return preparers that they must renew their Preparer Tax Identification Numbers (PTINs) for 2018. All current PTINs will expire Dec. 31, 2017.

Anyone who prepares or helps prepare any federal tax return, or claims for refund for compensation must have a valid PTIN from the IRS. The PTIN must be used as the identifying number on returns prepared. Failure to have and use a valid PTIN may result in penalties.

“We ask that you renew your PTIN as soon as possible to avoid a last-minute rush,” said Carol A. Campbell, Director, IRS Return Preparer Office. “It’s easy to let this slip as the holiday season approaches.”

For those who have a 2017 PTIN, the renewal process takes a few moments online. Those who cannot remember their user ID and password can find online tools to assist them. Preparers can get started at www.irs.gov/ptin. If registering for the first time, the PTIN application may also be completed online. There is no fee for obtaining or renewing a PTIN.

Paper Form W-12, IRS Paid Preparer Tax Identification Number Application and Renewal, is available for paper applications and renewals, and takes four to six weeks to process.

All enrolled agents, regardless of whether they prepare returns, must have a PTIN in order to maintain their status.

For Colleges and Universities: IRS Provides Limited Penalty Relief for Filers of Form 1098-T, Tuition Statement
The IRS is waiving certain penalties that would otherwise be asserted against eligible educational institutions for Forms 1098-T if the institution reports the aggregate amount billed for qualified tuition and related expenses on Form 1098-T instead of the aggregate amount of payments received for qualified tuition and related expenses. (Announcement 2016-17)

This penalty relief is limited to 2016 Forms 1098-T required to be filed by February 28, 2017, (or March 31, 2017, if electronically filed) and to written statements required to be furnished to recipients by January 31, 2017.

Relief is being given in light of recent legislation that changed Form 1098-T reporting requirements, which requires eligible educational institutions to report the amount of tuition and related expenses received. Prior to this change, educational institutions reported either payments received for qualified tuition and related expenses on Form 1098-T, Box 1 or amounts billed during a calendar year in Box 2. Implementation of the new legislation requires computer software reprogramming by the educational institutions that cannot be completed in time to meet Form 1098-T filing and furnishing requirements for 2016.
synchronized amongst the participants in the transaction. Further, blockchain protects the transaction – and by extension, all parties to the transaction – through the following four key characteristics.

1. Consensus. Before a transaction is accepted into the blockchain, all parties to the transaction must agree to it. This ensures that only authorized transactions are recorded.

2. Provenance. Because the transaction ledger maintains a complete history of all events associated with the asset, the history of the asset is easily viewed and the ownership of the asset is easily proven.

3. Immutability. Once a transaction is recorded in the distributed ledger, no party can change it because the transaction is encrypted. If a transaction is recorded in error, a new transaction must be entered to reverse the error.

4. Finality. The distributed ledger becomes the single point-of-reference for determining the ownership of the asset or the history of the transactions related to the asset.

How is Blockchain Used Today?
While still a relatively new technology, practical applications of blockchain are appearing in today’s business world with increasing regularity; following are four examples.

The first recorded use of blockchain technology is that of Bitcoin, a form of digital currency. By taking advantage of the distributed ledger concept found in blockchain technology, Bitcoin eliminates the risk of a digital currency being “spent” on multiple occasions, an issue that must be resolved for digital currencies to become mainstream. But blockchain usefulness is not limited to Bitcoin or any other form of digital currency. In fact, numerous organizations and various industries are taking advantage of blockchain technology today.

For instance, Capital One and Gem Health are using blockchain technology to reduce the amount of time it takes to process payments made to healthcare providers. The two companies take advantage of an application that uses blockchain to verify transactions more quickly than by using traditional methods, and in the course of doing so, reduces friction in payment processes. This in turn creates a more efficient payment processing system and yields faster payments to health care providers.

Likewise, IBM Global Financing has created an application that uses blockchain to assist over 4,000 trading partners to purchase goods and services from suppliers using credit supplied by IBM. As a result of implementing this blockchain-based application, each organization is able to have better visibility into the order-to-delivery pipeline and the number of disputes filed and the time necessary to resolve each dispute has been reduced substantially.

Bitproof is one of many companies that has developed a blockchain-based application to secure contracts and prevent tampering once a contract is signed. Using Bitproof’s SealX application, a fully-executed contract is uploaded to a distributed ledger that is accessible by all parties to the contract. Thereafter, based on the four key blockchain characteristics listed previously, no party can alter the terms of the contract without the agreement of all other parties.

What Does the Future of Blockchain Hold?
Looking ahead, what types of problems will blockchain be used to solve? The options are nearly endless. For example, a car rental company could implement a blockchain-based application to speed the process of renting a car. The distributed ledger shared between the company and the customer could contain information such as driver’s license number and expiration date, credit card number, and insurance information and all that data could be continually verified using blockchain. Therefore, when the customer arrives to pick up the car, the paperwork currently involved would be virtually eliminated.

Another example of potentially using blockchain to solve a business problem is in the area of supply chain. A supplier and a customer could use a blockchain-based application to facilitate commerce. Purchase orders, receiving reports, invoices, and even payments could be created, communicated, and settled with virtually zero friction and almost instantaneously, leading to reduced costs and a more efficient trading environment.

In the governmental arena, blockchain technologies could be used to facilitate digital voting. Voters could cast their votes from the privacy and comfort of their own homes. Then, they could easily and anonymously access the blockchain to confirm that their votes were recorded as cast. In turn, perhaps voter turnout rates would increase because voting would no longer require a trip to a polling location. Also in the governmental arena, blockchain could be used to create and validate identity documents such as passports, birth certificates, wedding certificates, and drivers’ licenses.

In sum, virtually any type of transaction or event that involves an asset – “hard” or “soft” – and multiple parties is a candidate for a blockchain-based app.

Summary and Conclusions
Though still not widely understood by many, blockchain is one of the more exciting technologies to have appeared in decades. By ensuring consensus, provenance, immutability, and finality through the use of a distributed ledger, blockchain greatly reduces the friction associated with a given transaction and improves security for all parties associated with that transaction. In turn, businesses will be able to process transactions faster and less expensively than ever. Remember, blockchain is an underlying, core technology and applications are built to take advantage of blockchain’s capabilities to improve business processes. To that end, be alert to the ever-growing list of blockchain-based applications and consider implementing those that can help your organization to become more efficient and more secure.
North Dakota Practices for Sale: gross revenues shown: Southwest ND Tax & Acctng $350K; Southeast ND CPA - $141K; Southeastern ND Tax & Bkpg $200K. For more information call 800-397-0249 or view listing details and register for free email updates at www.APS.net.

THINKING OF SELLING YOUR PRACTICE? Accounting Practice Sales is the leading marketer of tax and accounting practices in North America. We have a large pool of buyers, looking for practices to purchase. We also have the experience to help you find the right fit for your firm, negotiate the best price and terms and get the deal done. We welcome the opportunity to talk to you about our risk-free and confidential services. For more information call Trent Holmes with the APS Holmes Group at 1-800-397-0249 or email Trent@APS.net.

Seasonal full time tax return preparer needed
Some experience is preferred.
Position runs January 2018 through April (or longer).
Contact Kevin Austin at McKenna and Assoc. PC—701-772-4819 or Email at—kevin.mckenna@midconetwork.com

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RULE CHANGES. The proposed rules are with the AG’s Office. Various CPA comments were shared. Information had been prepared for the future Rules Committee meeting; non-public CPE details will be added. A list of the various rule change notices will be sent to the group. Suggested: adding the publication cost to the Rule Committee meeting notes; including a bright notice with the renewal notice about the future CPE changes.

FUTURE PLANNING. a. Job descriptions. Mike had circulated information to the group. Second review and database familiarity will be added. Rewording will be done. b. Location search. Jim updated the group, and shared selection criteria. Pete will assist in the process. The target is to review finalist options in February, with a July 1 relocation. c. Allocating equipment. Staff will handle the division. An estimate will be obtained for scanning the CPA files. We will inquire of the building owner about early-exit incentives. Jim encouraged a Sept. 30th payroll split, rather than June 30; he will contact PERS about the staff impact of different split dates. The ED job notice will be published after May 31, with a target start date between Sept. 1 and Oct. 1. The full Board will serve as the selection team.

REINSTATEMENT was approved for Longjua Shen and Mabel Imala

2018 MEETINGS were set: 2/15 Bismarck, 4/19 (Fargo), 7/24 (Bismarck), 10/18 (Fargo), 12/4 (Bismarck).

COMPLAINTS. 2017-12. Jim reported on follow-up; the case was closed. 2017-10. The matter is being addressed in court next year. 2016-4. Jim updated the group about recent correspondence. 2017-13. A state agency will be contacted for information. Policy will be drafted re. anonymous complaints. 2017-4. Jim will draft a letter for review, indicating we feel the CPA stepped overstepped the ethics code, and corresponded in an unacceptable manner; 4 hours of ethics CPE will be proposed; legal counsel will be copied.

The full meeting minutes are posted on nd.gov/ndsba.
Dakota CPA is published bimonthly, by the North Dakota CPA Society.

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