<table>
<thead>
<tr>
<th>Minutes of:</th>
<th>The New York State Society of Certified Public Accountants Board of Directors Meeting</th>
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<tbody>
<tr>
<td>Date &amp; Time:</td>
<td>Wednesday, December 14, 2016, 9:00 a.m. to 12:55 p.m.</td>
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<tr>
<td>Location:</td>
<td>NYSSCPA Offices, 14 Wall Street, New York, New York 10005</td>
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<tr>
<td>Presiding Officer:</td>
<td>F. Michael Zovistoski, President</td>
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| NYSSCPA Board Members Present: | Harold L. Deiters III, President-elect  
John J. Lauchert, Secretary/Treasurer  
Gregory J. Altman, Vice President  
Susan M. Barossi, Vice President  
Anthony S. Chan, Vice President  
John S. Shillingsford, Vice President  
Edward L. Arcara  
Paul E. Becht  
Salvatore A. Collemi  
Mitchell A. Davis  
Joseph M. Falbo, Jr.  
Rosemarie Giovannazzo-Barnickel  
Elizabeth A. Haynie  
Elliot L. Hendler  
Jan C. Herringer |
| | Patricia A. Johnson  
Barbara A. Marino  
Kevin Matz  
Mitchell J. Mertz  
Jacqueline E. Miller  
Iralma Pozo  
Renee Rampulla  
Brian M. Reese  
M. Jacob Renick  
Warren Ruppel  
Michael M. Todres  
David G. Young  
Joanne S. Barry, Executive Director/CEO |
| NYSSCPA Board Members Participating via Conference Call: | Sol S. Basilyan  
Christopher G. Cahill  
Jack M. Carr  
Tracey J. Niemotko  
Kevin P. O’Leary  
Steven A. Stanek  
Janeen F. Sutryk |
| NYSSCPA Board Members Absent: | Edward F. Esposito  
Jean G. Joseph  
Denise M. Stefano |
| Staff Present: | Lisa Axisa  
Jalissa Brown  
Colleen Lutolf |
| | Ernest Markezin  
Patrick Payano  
Joanne Thelmo |
| Guests Present: | CJ Orr, Orr Associates  
Ita M. Rahilly, Chair, Investment Subcommittee  
John R. Holst, Merrill Lynch |
|----------------|--------------------------------------------------|

**M I N U T E S**

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<th><strong>B16 – H – 0</strong></th>
<th><strong>Call to Order</strong></th>
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<tr>
<td>Introductions were made, and Mr. Zovistoski called the meeting to order. He took a few minutes to ask Board members to share their feedback on the prior evening’s Open House event.</td>
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<tr>
<th><strong>B16 – H – 1</strong></th>
<th><strong>AICPA Update</strong></th>
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<tr>
<td>Mr. Hendler reviewed highlights of the Fall AICPA Council Meeting, which was held in October 2017.</td>
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<tr>
<th><strong>b. Nominating Process Update</strong></th>
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<td>Mr. Lauchert announced that the deadline to put forth a nomination to serve on the Board of Directors is 5:00 p.m. on January 2, 2017.</td>
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<th><strong>c. Town Hall Schedule and Format</strong></th>
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<tr>
<td>Mr. Zovistoski presented an update on the Town Hall visits and announced that the next visit would be with the Nassau Chapter.</td>
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<th><strong>d. Appointment of Nominating Committee Chair</strong></th>
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<td>Mr. Zovistoski announced Margaret “Peggy” A. Wood, Past President, as the Chair of the Nominating Committee. Mr. Zovistoski mentioned the importance of the Chair being a Past President due to his or her experience.</td>
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<th><strong>e. Governance Subcommittee Report</strong></th>
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<tr>
<td>Mr. Ruppel provided an update on the following matters that the Governance Subcommittee has considered: the formation of a separate entity for the Moynihan Scholarship Fund that would qualify under Section 501(c)3 of the Internal Revenue Code, Nominating Committee meeting issues, Board size, revision to bylaws requested by the Professional Ethics Committee, and a revision to bylaws regarding retirees in the Associate Industry/Non-CPA category.</td>
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<th><strong>f. Establishment of New Society Committees</strong></th>
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(i) **Academic Advancement and Higher Education Committee**

Mr. Zovistoski provided the Board with background on the Academic Advancement and Higher Education Committee and emphasized how important this committee is. He encouraged Board members to both join the committee and spread the word to other members, especially those who are currently in the education field and those who aspire to be.

(ii) **Diversity and Inclusion Committee**

Mr. Zovistoski announced that the Diversity and Inclusion Committee will also be reinstated as a committee by the Society. A brief discussion followed.

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<tr>
<th>B16 – H – 2</th>
<th>Action Items</th>
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<tr>
<td>a. Approval of the Minutes of September 23, 2016, Board of Directors Meeting</td>
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<tr>
<td>Mr. Zovistoski asked for a motion to approve the minutes of the September 23, 2016, meeting. Mr. Hendler requested grammatical and clarification edits be made before bringing forth a motion.</td>
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<tr>
<td>Ms. Marino mentioned her edits relating to spelling and the Executive Session times.</td>
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<td>Mr. Chan requested the removal of his name from the list of those members who had abstained from a motion.</td>
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<td>Ms. Marino made a motion to approve the minutes of September 23, 2016, as amended, and Mr. Chan seconded the motion. The motion passed without any objections.</td>
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<td>b. Financial Statements Ending October 31, 2016</td>
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<tr>
<td>Mr. Lauchert presented the financial statements for the five months ending October 31, 2016. A discussion followed.</td>
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<tr>
<td>Mr. Ruppel made a motion to approve the financial report, and Mr. Young seconded the motion. The motion passed without any objections.</td>
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<td>c. Membership Report</td>
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<td>Ms. Barry announced that, to date, there are 226 new members, compared to 110 at same time last year. She confirmed that the total membership upon approval would be 27,134. The report included 2,005 terminated members who will be officially terminated for nonpayment of dues after the retention campaign concludes.</td>
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<tr>
<td>Ms. Barry announced that a total of 143 non-CPA members to date have been approved as new members. A brief discussion followed.</td>
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<td>Mr. Shillingsford moved to accept the Membership Report, and Ms.</td>
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Giovinazzo-Barnickel seconded the motion. No objections were made, and the motion passed unanimously.

d. Selections Subcommittee Report

(i) AICPA Council

Mr. Deiters reported that the Selections Subcommittee met on December 12, 2016, to discuss the candidates who submitted their names to serve on the AICPA Council.

He explained that the NYSSCPA has four elected seats on Council to fill this year. There are three seats with three-year terms and one seat with a one-year term. Out of these four elected positions, one three-year position is reserved for the person who is nominated to serve as President-elect; therefore, the Board needs to fill only three positions: two three-year positions and one one-year position.

He announced the following names chosen by the Selections Subcommittee as the proposed candidates for the AICPA Council:

1. Phillip E. Goldstein
2. John J. Lauchert
3. Steven S. Mezzio
4. Steven Morse
5. Rumbi B. Petrozzello
6. Ita M. Rahilly
7. Stephen T. Surace
8. Edward J. Torres

He asked the Board members to elect three individuals from the names listed above. He explained that the two individuals receiving the most votes will get the three-year terms, and the person receiving the third highest number of votes will get the one-year term. The vote was taken. Mr. Lauchert and Ms. Rahilly were elected to three-year terms on the AICPA Council, and Mr. Torres was elected to a one-year term.

(ii) Nominating Committee Vacancy

Mr. Deiters also reported that the Selections Subcommittee met on December 7, 2016, to discuss the vacant seat on the Nominating Committee. He said that 30 individuals had informed the Subcommittee of their interest in filling the vacancy, from which the Subcommittee has selected the following six from which the Board will elect one:

1. Steven Edelman
2. Scott D. Hosler
3. Doreen M. Inserra  
4. Brenda K. Santoro  
5. Stephen T. Surace  
6. Robert N. Waxman

The Board elected Mr. Waxman to fill the vacancy.

Mr. Zovistoski announced that the Nominating Committee is scheduled to meet January 12, 2017.

e. Approval of Investment Policy Statement

Mr. Zovistoski called on Ms. Rahilly to present the Investment Subcommittee’s report. Ms. Rahilly presented the draft Investment Policy Statement. She discussed the process that began on July 29, 2016.

She then mentioned a follow-up conference-call meeting in which Mr. Zovistoski suggested that the Subcommittee send RFPs to 6 to 12 investment companies, and encouraged the Subcommittee to use Broker Check as part of the evaluation process.

She announced that the Subcommittee received eight responses to the RFP. Five investment companies were interviewed, and Merrill Lynch was unanimously selected.

Mr. John R. Holst from Merrill Lynch then walked the Board members through his presentation.

Mr. Falbo made a motion to approve Merrill Lynch as the investment advisor and to approve the associated corporate resolution, and Mr. Zovistoski seconded the motion. Mr. Cahill abstained from voting. The motion passed.

Mr. Falbo then made a motion to adopt and approve the investment policy statement, and Mr. Zovistoski seconded the motion. Mr. Cahill abstained. The motion passed.

| B16 – H – 3 | a. Chapters Update  
| Professional Excellence and Integrity | (i) Chapter Representative Open Discussion  
Ms. Barossi and Mr. Altman commented on the continued success and importance of the monthly Chapter Presidents calls.  
(ii) Chapter Treasurer Responsibilities  
Mr. Payano presented a memo to the Board outlining the offer made to the Chapters to have the Society assume Chapter treasurer responsibilities. A discussion followed. |
### b. Peer Review Update

Mr. Zovistoski asked the Board to consider having the Executive Committee make a decision on the Peer Review program after the Executive Committee has had time to further discuss the options.

Mr. Chan made a motion on pending changes that would affect the NYSSCPA’s position as an administering entity in the AICPA’s Peer Review program to have the Executive Committee make the final decision regarding Peer Review, and Mr. Davis seconded the motion.

Mr. Hendler suggested that the Board of Directors make the final decision.

Mr. Chan withdrew his motion, and Mr. Davis withdrew his second to the motion.

It was decided that the Executive Committee would submit its recommendation to the Board of Directors and ask the Board to make the final decision.

### a. Society Comments

Mr. Chan reported that as of November 25, 2016, a total of 19 Comment Letters have been issued. He confirmed that 13 letters went to FASB; two went to AICPA, and one to the SEC. He mentioned the letters can be found on the website.

He mentioned that there is an average of about three letters per month, thanked Mr. Markezin, as well as Society members who contributed to the letters, and remarked on the quality of each letter.

### Committees Update

Mr. Shillingsford reported that a total of 101 committee meetings were held over a 13-week period from August 28 to November 25, 2016.

He reported that out of the total meetings held, 20 of those had a CPE component. He stated that out of the 82 new committee applicants, 27 are new Society members.

Mr. Shillingsford also mentioned a continued focus is on NextGen members. He went on to say that about 15% of the new committee applicants were under 31 years of age, and 46% percent were under 41 years of age.

He continued his update and mentioned that the Oversight Committees meetings are well attended.

Mr. Matz inquired if there was training in place for Chairs and Vice Chairs, and mentioned one component could be how to post on Exchange. He stated
that posting on Exchange about the committee meetings will increase attendance and awareness.

A discussion followed.

c. Legislative and Regulatory Updates

Ms. Thelmo shared the success of the Manhattan/Bronx Legislative Breakfast that was held on December 7 with Senator John J. Flanagan as the speaker. She added that there was a waiting list for this event.

She noted that the Marijuana Symposium was a success, with a standing-room-only crowd. She also announced that December 15 is the Syracuse Chapter’s Legislative Breakfast, and the following special guest speakers are scheduled to attend: Assemblywoman Pamela J. Hunter; Assemblyman Albert A. Stirpe, Jr.; and Onondaga County Comptroller Robert “Bob” E. Antonacci, CPA. Also, Joe Romano, the Constituent Liaison for Assemblyman William B. Magnarelli will be in attendance.

In addition, Ms. Thelmo announced that on the following day, December 16, the Rochester Chapter is scheduled to host its Legislative Breakfast at the Hilton Garden Inn Rochester, with special guest Assemblyman Brian M. Kolb.

a. David J. Moynihan Fund Gala Update

Ms. Lutolf provided the Board with an update on the Moynihan Fund Gala and announced the official date is Wednesday, May 17, 2017. She mentioned the venue would be the same as last year’s Gala, The Lighthouse at Chelsea Piers.

She mentioned that her team is in the process of working with the designer of the Gala collateral.

Ms. Lutolf announced that the early-bird ticket will be priced at $300 and the regular ticket will be priced at $350. She also provided the Board with the final prospective roster of entertainment.

Mr. Orr thanked everyone whom he has met with in person or by phone for his or her time and effort.

He continued his presentation by discussing the types of sponsorship opportunities that would be available on January 1, 2017. He mentioned receiving a check for $25,000 from Baker Tilly for sponsorship, with Mr. Deiters’s help.

Mr. Orr reminded the Board of Directors that he would be reaching out to them individually either by e-mail or phone call to encourage them to participate in the fund-raising efforts. He mentioned that about 54% percent
of the Board members participated last year, and was hoping to increase this percentage for the upcoming Gala.

He also mentioned that there is a working list of honoree(s).

A discussion followed.

b. Membership Activity Report

Ms. Axisa provided an update on the recent Open House and announced the upcoming Women’s Initiative Breakfast Panel that is scheduled for December 16, 2016.

She mentioned that, thus far, 92.56% of the dues that were billed have been received, compared to this time last year, at 91.16%.

She provided updates on the Qualtrics software used to assist in membership application; specifically, when a potential member is leaving the application website, a pop-up appears, encouraging the member to continue the application.

She explained that with the help of Qualtrics, approximately 19 applications were completed that otherwise might have been abandoned.

c. COAP Update

Ms. Axisa and Ms. Barry provided updates to the Board regarding the COAP program.

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<thead>
<tr>
<th>B16 – H – 6</th>
<th>Public Awareness</th>
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<tr>
<td>a. Communications Report</td>
<td>Ms. Lutolf reported that 88 NYSSCPA members were either quoted or interviewed by over 13 media outlets during this reporting period.</td>
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<tr>
<td>b. Report on Marijuana Symposium</td>
<td>Ms. Thelmo discussed the outcome of the NYSSCPA’s inaugural Marijuana Symposium: Business, Tax and Legal Implications, held December 13 at the Executive Conference Center, from 11:30 a.m.–3:30 p.m. She reported that the Symposium was a sold-out, standing-room-only event. Ms. Thelmo noted that the Honorable Senator Diane J. Savino provided the Keynote Address and stayed on as an attendee until the Symposium’s end. Ms. Lutolf shared that the Symposium attracted the media attention of more than 10 media outlets that attended and covered the event, including the following:</td>
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<td></td>
<td>• Accounting Today</td>
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<td></td>
<td>• Benzinga.com</td>
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<td>• Business Valuation Resources</td>
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<td>• CPA Trendlines</td>
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<td>B16 – H – 7</td>
<td>NONE</td>
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<tr>
<td>Executive Session</td>
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<td>ADJOURNMENT</td>
<td>Ms. Giovinazzo-Barnickel moved to adjourn the meeting at 12:55 p.m., and Mr. Chan seconded the motion. There being no objection, the meeting was adjourned.</td>
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Respectfully submitted,

John J. Lauchert
Secretary/Treasurer