Call to Order

Attendance was taken, and President J. Michael Kirkland established that a quorum was present and called the meeting to order at 9:00 a.m. Mr. Kirkland acknowledged those Board members who would be rolling
off the Board at the end of the fiscal year and thanked them for their service. He also acknowledged those Board members who would be coming back on to the Board in new positions.

Mr. Kirkland noted that his presidency had been a great experience and thanked the Board for their support. He asked the Board to remember the NYSSCPA’s goals and responsibility to its members. Mr. Kirkland asked the Board to support Mr. Adair during his presidency.

**Action Items**

a. **Approval of Minutes of December 19, 2013, Board of Directors’ Meeting**

Mr. Kirkland asked the Board to consider and approve the minutes of the December 19, 2013, meeting. Mr. Ruppel moved to approve the minutes, and Ms. Kinsella seconded the motion. The motion passed without objection.

b. **Financial Statements ending January 31, 2014**

Mr. Zovistoski presented the financial statements ending January 31, 2014.

c. **Approval of Fiscal Year 2014/2015 NYSSCPA Budget**

Mr. Zovistoski presented the 2014/2015 NYSSCPA budget for approval. He explained the budget review process and gave the Board an overview of budget discussions. Mr. Payano gave the Board an estimate of the Society’s expected contribution to FAE.

Mr. Adair thanked Mr. Zovistoski, the Finance Committee, and staff for their work on the budget. He added that it is important to see financial information in a timely fashion and credited Mr. Payano and his staff for their efforts in achieving that.

Mr. Kirkland thanked Messrs. Adair, Zovistoski, and Payano, and Society staff for their work.

After further discussion, Mr. Adair moved to approve the 2014/2015 budget, and Ms. Marino seconded the motion. The motion passed without objection.

d. **Membership Report/Dues Update**

Ms. Barry presented the membership report and announced that after approval of the new members, the Society’s membership total would be 26,943. She noted that students who had received complimentary memberships were not included in that total and that those student members would bring the membership total to 28,251.

Ms. Barry explained that terminations were higher this year and that the Society is in the process of developing initiatives to draw newly licensed CPAs into FAE courses. She outlined some ways in which the Society is
endeavoring to draw in those new members.

After further discussion, Ms. Marino moved to approve the membership report, and Mr. Chan seconded the motion. The motion passed without objection.

e. Selections Subcommittee Report

i. Society Recommendation to Fill FAE Board of Trustees Vacancies

Mr. Adair explained that pursuant to FAE Bylaws Article II and NYSSCPA Board Standing Rule SR-3, the Board must designate a group from which FAE will select their Trustees to fill vacancies. He further explained that the Board must submit twice as many candidates as there are vacancies.

Mr. Adair announced the six proposed names:

Frieda T. Aboyoun
Adrian P. Fitzsimons
Steven M. Morse
Christopher J. Rosetti
Michael Schulman
Raynard Zollo

Mr. Adair stated that 25 applications had been received and added that he would reach out to those not selected to keep them connected to the Society.

After further discussion, Mr. Zovistoski moved to approve the six candidates, and Ms. Marino seconded the motion. The motion passed without objection.

ii. Society Appointment to FAE Board of Trustees

Mr. Adair explained that pursuant to FAE Bylaws Article II and NYSSCPA Board Standing Rule SR-8, the Board may select up to three members and appoint them to serve as FAE Trustees for any combination of one-, two-, or three-year terms. He announced that one of the three positions would be filled by Mr. Zovistoski as Treasurer.

After further discussion, the Board members voted to appoint Messrs. Kirkland and Adair to serve as Board-appointed Trustees.

f. FAE Bylaws Changes

Mr. Pryba explained that in order to avoid violating the NYSSCPA/FAE Affiliation Agreement, FAE requires NYSSCPA approval of all Bylaws changes. He then outlined the following requested change to the FAE Bylaws:
Article II, Section 4(a) –
(a) Appointments by the Board of Trustees. The Trustees shall appoint individuals to fill vacancies of Board-appointed trustees occurring annually on the Board from among nominees made by the Society’s Board of Directors; provided the number of such nominees shall be at least twice the number of vacancies needing to be filled. Should the Society’s Board of Directors fail to provide the required number of nominees under this Section, the Trustees, individually or jointly, may solicit and nominate enough additional nominees required under this Section. Any Trustee appointed to fill the unexpired term of a Trustee shall hold office until the next Annual Meeting and until his or her successor is appointed or qualified.

After further discussion, Ms. Kinsella moved to approve the FAE Bylaws change, and Mr. Hosler seconded the motion. The motion passed without objection.

g. Bylaws Changes: Appointment of Auditor
Mr. Pryba explained that the recommended Bylaws change came from the Finance Committee. He described the following Bylaws change:

Annual Audit – At the second meeting of the Board in the fiscal year, the Board shall designate an auditor or firm of auditors to examine the financial statements of the State Society and its affiliates, the report of the treasurer for that fiscal year. The auditor or a partner of the firm of the auditors shall be a member. The auditor or any partner of the firm of auditors shall be independent of the State Society and its affiliates, not be a member of the Board. The auditor or firm of auditors shall not be designated for more than four successive fiscal years. The auditor or firm of auditors shall be compensated in an amount designated by the Board. The auditors’ report and the financial statements shall be communicated to the membership in such manner as the Board may designate.

Mr. Pryba explained that if approved by the Board, the Bylaws change would then be sent to the members for a vote.

After further discussion, Mr. Morse moved to approve the Bylaws change, and Mr. Zovistoski seconded the motion. Messrs. Lesser and Craven opposed. The motion passed.

h. Approval of Brightcove Agreement
Mr. Pryba presented the Brightcove Agreement for approval. Ms. Osorio explained why Brightcove was chosen over other vendors. The Board discussed the contract and expressed concern over certain provisions. After further discussion, Mr. Lesser moved to table the discussion of the Agreement, and Mr. Chan seconded the motion. The motion passed without objection.
i. Approval of Memorandum Concerning Estate Planning Provisions in New York State Budget

Mr. Busweiler explained that Mr. Matz and the Estate Planning Committee drafted the memorandum. Mr. Matz summarized the memorandum for the Board and asked for Board approval.

After further discussion, Mr. Hosler moved to approve the memorandum, and Mr. Lesser seconded the motion. The motion passed without objection.

a. Governance Subcommittee Report

Mr. Pryba stated that the Governance Subcommittee had met and considered Bylaws and Board structure issues. Mr. Kramer added that the Subcommittee had discussed possibly reducing the number of Board members.

Mr. Kirkland thanked Messrs. Pryba and Kramer, and the Task Force for their work.

b. Chapters Update

Ms. Marino explained that attendance is now taken on the chapter presidents calls to encourage more participation. She gave the Board an overview of the activity report and explained that she is encouraging communication between chapter representatives and chapter presidents.

Ms. Marino announced that the next chapter presidents call would be held on March 25, 2014. Mr. Matz stated that it would be beneficial if committee chairs had access to chapter presidents contact information.

c. Society Comments

Mr. Ruppel announced that 27 letters had been issued and 2 more were in the pipeline.

d. Committees Update

Mr. Benjamin stated that 95 meetings had been held since the last Board meeting. He added that more committees are meeting at the Society’s offices.

e. Nominating Process Update

Mr. Zovistoski stated that the Nominating Committee met in January and made their recommendations. He added that no independent nominations were received and stated that results of the vote would be read on May 15 at the Annual Dinner.

a. Legislative and Regulatory Update

Mr. Busweiler gave the Board an overview of recent action in Albany. He stated that the school audit bill was expected to pass in the Senate.
Mr. Pryba added that he expected to see the non-CPA ownership bill move through the Assembly and the Senate, and be prepared for signature.

b. Awards Committee Report
Ms. Kinsella presented the Awards Committee Report. She announced the following award winners:
Dr. Emanuel Saxe Outstanding CPA in Education Award – A. Rief Kanan
Outstanding CPA in Industry – Suzanne M. Jensen
Ms. Kinsella thanked the Awards Committee for their work.

c. CPA/SEA Mid-Winter Meeting Update
Ms. Barry announced that at the CPA/SEA meeting, she discussed recruitment and retention, online learning, and in-person networking. She added that they discussed software used to engage members.

d. AICPA Board of Directors’ Meeting Update
Ms. Barry noted that the meeting gave a good perspective of what the AICPA is focusing on in the profession.

e. N.Y. State Steering Committee Update
Ms. Barry announced that the committee met on January 30, 2014, to discuss state and federal level legislative issues.

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Ad Hoc Reports

a. COAP Program Update
Mr. Pryba announced that a task force had been appointed to examine COAP. He added that the task force discussed establishing COAP as its own entity and said he had been looking at options to do this. Mr. Pryba stated that two possibilities included establishing COAP as a stand-alone entity, or having FAE or the Society be the only member of the separate entity. He announced that the ultimate recommendation would be presented at the next Board meeting.

b. AICPA Regional Meeting of Members of Council Update
Ms. Kinsella presented the AICPA Regional Meeting of Members of Council update.

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Professional Competency

a. Best Practices Task Force
Mr. Adair announced that the Best Practices Task Force had been established to look at best practices for the Society and its chapters.

b. FAE Update
Mr. Zovistoski stated that FAE is focusing on growing its online library and on-demand self-study areas. He added that a QSA on-demand self-study team had been developed to create review and final exam questions. Mr. Zovistoski noted that FAE was in the process of
developing a new e-store platform.

Mr. Zovistoski announced that the Young CPAs Conference would be held in June 2014, on Long Island and in Rochester.

c. Formation of Bitcoin Task Force
Mr. Kirkland announced that he had established a task force to examine virtual currency. He added that the task force would be chaired by Mr. Edward J. Torres.

a. Media Relations Report
Ms. Barry gave the Board a brief overview of the outreach the Society has done with the media.

a. Annual Membership Meeting Task Force
Mr. Adair announced that the Annual Membership Meeting Task Force is working with Society staff to further develop ideas. He added that the event would initially be held in New York City and would then be expanded to other areas.

b. Diversity/COAP Task Force
To be addressed at a future meeting.

No executive session was held.

Ms. Kinsella moved to adjourn the meeting at 12:00 p.m., and Mr. Adair seconded the motion. There being no objection, the meeting was adjourned.

Respectfully submitted,

F. Michael Zovistoski
Secretary/Treasurer