| Minutes of: | The New York State Society of Certified Public Accountants  
Board of Directors Meeting |
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<tr>
<td>Date &amp; Time:</td>
<td>Wednesday, March 21, 2018, 8:35 a.m. to 12:50 p.m.</td>
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<td>Location:</td>
<td>NYSSCPA Headquarters, 14 Wall Street, New York, N.Y.</td>
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<td>Presiding Officer:</td>
<td>Harold L. Deiters III, President</td>
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| NYSSCPA Board Members Present: | Christopher G. Cahill  
Mitchell A. Davis  
Edward F. Esposito  
Kimberly G. Johnson  
Mitchell J. Mertz  
Thomas S. Pirro  
F. Michael Zovistoski  
Joanne S. Barry, Executive Director/CEO |
| NYSSCPA Board Members Participating via Conference Call: | Jan C. Herringer, President-elect  
Paul E. Becht, Vice President  
John B. Huttlinger, Jr., Vice President  
Candice R. Meth, Vice President  
Anthony T. Abboud, Secretary/Treasurer  
Dennis N. Annarumma  
Edward L. Arcara  
Jack M. Carr  
Anthony S. Chan  
Salvatore A. Collemi  
William H. Dresnack  
Mark L. Farber  
Lynne Fuentes  
Douglas L. Hoffmann  
Patricia A. Johnson  
Barbara A. Marino  
Tracey J. Niemotko  
Kevin P. O’Leary  
Iralma Pozo  
Renee Rampulla  
Brian M. Reese  
Janeen F. Reese  
Steven A. Stanek  
Denise M. Stefano  
Michael M. Todres  
Mark M. Ulrich |
| NYSSCPA Board Members Absent: | Sol S. Basilyan  
Craig T. Goodman |
| Staff Present: | Fatima Anwar  
Lauren Biggers  
Revina Brennan  
Emily Frizzell  
Colleen Lutolp  
Ernest Markezin  
Patrick Payano  
Joanne Thelmo |
| Guest Present: | Ita M. Rahilly  
John Holst  
Scott Pearlman |
MINUTES

B18 – A – 0

a. Call to Order
Mr. Deiters called the meeting to order at 8:35 a.m. Mr. Deiters announced the passing of fellow board member Craig T. Goodman in February. He extended his condolences to the family and his appreciation of Mr. Goodman’s work and board service.

B18 – A – 1

Action Items

a. Approval of Minutes of December 7, 2017, Board of Directors Meeting
Mr. Zovistoski motioned to approve the minutes, and Ms. Johnson seconded. The motion passed unanimously.

b. Approval of FY 2018/2019 NYSSCPA Budget
Mr. Abboud explained that the process of the budget review. He noted that the Finance Committee met on January 29, 2018, and made some revisions to the budget. He then reported that the revised budget was approved by the Executive Committee in mid-February and is being presented today.

Mr. Payano reported that one difference in the budget this year was the removal of the Peer Review Program. Mr. Deiters called for questions. A discussion followed.

Mr. Pirro motioned to approve the 2018/2019 budget, and Ms. Marino seconded the motion. Mr. Carr and Mr. Zovistoski abstained. The motion passed.

c. Financial Statements Ending January 31, 2018
Mr. Abboud presented the financial statements. A discussion followed.

Mr. Zovistoski motioned to approve the financial statements, and Mr. Pirro seconded the motion. The motion passed unanimously.

d. Membership Report
Ms. Barry asked the Board to approve 122 new members. She reported that membership was relatively flat and discrepancies in the fiscal year comparatives were reflective of the Board decision to eliminate the free Life Members dues class. She noted that the organization has invested in technology that provides more insight into member intelligence.

Mr. Zovistoski motioned to approve the membership report, and Mr. Pirro seconded the motion. Mr. Davis abstained. The motion passed.

e. Selections Subcommittee Report
Ms. Herringer presented the report of the Selections Subcommittee and named the 4 qualified members identified by the Subcommittee to fill the 3 vacancies on the FAE Board of Trustees. Ms. Marino moved to accept the names to be recommended to fill the FAE Board of Trustees vacancies. Mr. Chan seconded the motion. The motion passed without objection.

Ms. Herringer also reported that the Subcommittee is responsible for identifying and proposing at least 2 members from the Society Board of Directors to serve on the FAE Board of Trustees with the third seat reserved for the Society’s Secretary/Treasurer. She noted, however, that this year the Subcommittee identified 3 Board members for the 2 seats on the FAE Board of Trustees. The 3
Board members interested in serving as the Board representatives on the FAE Board of Trustees were:

- Mark M. Ulrich
- Salvatore A. Collemi
- Tracey J. Niemotko

Mr. Deiters asked for any additional nominations from the floor. He then requested each of the Board Members to provide their votes by paper ballot or email and asked Mr. Pirro to tally the votes. Mr. Deiters stated that the 2 Board members with the highest votes would be elected to serve as the Board appointed FAE Trustee. He then announced that Mark M. Ulrich and Tracey J. Niemotko were elected for the Society seats on the FAE Board of Trustees for the upcoming year.

f. **Appointment of Board member to complete unexpired term**

Mr. Deiters stated that due to the recent passing of Craig Goodman that there was now a vacancy on the Board. He then appointed Candice R. Meth to complete the unexpired term of Mr. Goodman.

Mr. Esposito moved to accept Mr. Deiters’s appointment of Ms. Meth, and Ms. Rampulla seconded the motion. The motion passed unanimously.

g. **Proposed Administrative Changes to the NYSSCPA Bylaws**

Ms. Thelmo reported that Mr. Hendler had reviewed the Bylaws and provided edits regarding its formatting, numbering and other administrative changes. She noted that all of the changes had been made and the updated Bylaws would be effective as of today’s meeting. She thanked Mr. Hendler for his assistance and work.

Mr. Zovistoski motioned to approve the proposed administrative changes to the Bylaws. Ms. Johnson seconded the motion. The motion passed unanimously.

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<th>B18 – A – 2</th>
<th>a. President’s Report</th>
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<td>President’s Report</td>
<td>i) AICPA Council Update</td>
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<td>Ms. Herringer provided an update of the AICPA meeting. She explained that William (Bill) Reeb will be the next Chair of the AICPA, and Tracey Golden will become the Vice Chair.</td>
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<td>ii) Town Hall Meetings Update</td>
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<td>Mr. Deiters reported that one chapter visit remained in January (Nassau) and the presentations throughout had been well received.</td>
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<td>Ms. Fuentes asked on behalf of the Nassau Chapter that the Board consider increasing the dollar amount for Chapter contracts from $2,500 to $10,000. A</td>
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discussion followed. She also asked if the Society would reconsider its position on charging for Ethics. A discussion followed.

Ms. Fuentes then asked if the Society might consider splitting the non-CPA category into non-CPAs within CPA firms and non-CPAs not affiliated with a CPA firm. A discussion followed. Ms. Thelmo stated that this required further legal review.

Also, Ms. Fuentes raised the concept of having internship credits that would qualify as the 5th year of college rather than a 5th year of classes. Ms. Barry shared information on recent proposals by AICPA. This matter is to provided to the Higher Education Committee for its consideration. A discussion followed.

iii) Update on Travel Reimbursement Policy
Mr. Deiters advised that the Executive Committee approved revisions to the travel reimbursement policy at its February 15, 2018 meeting, indicating the revisions were the result of Executive and Finance Committee discussions over that past few years centered on the fact that the existing policy allowed for some unnecessary and perhaps unreasonable amounts to be reimbursed.

Mr. Deiters then summarized the policy changes indicating that the total reimbursement requested for a single day’s committee meeting will be limited to $800 and that a member’s cumulative amount of approved requests be limited to $4,000 per fiscal year (June 1 to May 31). The limits may only be exceeded in reasonable and exceptional circumstances and will require advance approval by the Society President or Treasurer. The limits do not apply to members of the Board of Directors, Executive Committee, the FAE Trustees, members of Operations Division Committees, and statewide Committee Chairs.

b. Secretary/Treasurer’s Report
i) Nominating Process
Mr. Abboud reported that the proxy ballots will be sent out. The validators for the ballots will be Joseph M. Falbo, Jr., and Scott M. Adair.

ii) Investment Subcommittee Report
Ms. Rahilly reported that the NYSSCPA moved $1 million into the investment account. Mr. Holst from Merrill Lynch and Mr. Pearlman from Blackrock presented the Society’s investment portfolio and revenue growth.

c. Governance Subcommittee Report
Mr. Esposito reported that he provided an update at the last Executive Committee meeting and that there was discussion of implementing a Board Policy Manual. He also reported that Ms. Meth was appointed to the Governance Subcommittee and that the Subcommittee’s next meeting is scheduled for May 2.

d. Awards Committee Report
Mr. Zovistoski reported that after reviewing the nominees, the committee decided to bestow two awards, to be presented at the Moynihan Scholarship Fund Gala. The recipients are Victoria Shoaf for the Dr. Emanuel Saxe Outstanding CPA in Education Award and Scott M. Adair for the Outstanding CPA in Government
Award. Mr. Zovistoski explained that there were a limited number of people being nominated and that previous nominees were also considered for this year.

Mr. Deiters commented that anyone who is seen as deserving of an award could be nominated.

e. Executive Director’s Report

i) New Committee Outreach
Ms. Barry reported that there is currently outreach to make the Society more relevant to younger members by taking a look at what new committees should be created and which legacy committees might need to be sunnected.

ii) Report on Big Four Partnership
Ms. Barry gave an update on her meeting with the Big Four Accounting firms. She discussed legislative and political strategies and their membership involvement.

iii) Leadership Conference
Ms. Barry reported that the Leadership Conference is being held at Turning Stone Casino and that this was a venue used in the past. She stated that the Conference will be held July 15 through July 17. The Leadership Conference will replace the Governance forum held in September.

She also explained that those invited will receive a notification once the contract has been signed. She also explained that Mr. Deiters would be taking the lead in the golf event the day before.

iv) Toastmasters Club
Ms. Barry reported that the Toastmasters Club has started at the Society for CPA members. The club meets on the 2nd and 4th Tuesday of every month.

B18 – A – 3 Professional Excellence and Integrity

a. Chapters Update

i) Chapter Representative Open Discussion

Mr. Huttlinger reported an update on Chapter President calls. He also reported that Mr. Deiters set up a FAE Society Joint Task Force and the first conference call was held on February 23, 2018. He stated that this committee was comprised of the Society and FAE leadership and staff members. He also reported that there was consensus that joint collaboration was needed regarding CPE courses and its administration.

Mr. Becht reported that the Chapters’ concerns are being addressed by the Society, that communication between Chapter Leadership and staff is much improved, and that the contracts are being handled quickly.
b. Committees Update
Ms. Meth provided an update on the committees, referring to the committee report indicating that there were 99 meetings held and 95 committee applications received for the reporting period. The committee chair and vice chair appointment process is underway, and new committees are being formed.

c. Peer Review Transition Update
Mr. Markezin reported that the Society ended its role as an administering entity for the Peer Review Program as planned as of March 15, 2018, with the Pennsylvania Institute of CPAs (PICPA) now administering New York firms. He thanked the peer review staff for all their efforts in the transition.

B18 – A – 4
Advocacy

a. Society Comment Letters
Messrs. Mertz and Markezin referred to the comment letter report indicating that through March 2nd, 24 comment letters had been issued, a pace that equates to about one letter released every 12 days.

b. Response to Federal Tax Reform
Ms. Lutolf reported on New York State implications of federal tax reform bill and the strategy that is being developed by the Society’s Ad Hoc Tax Committee. This committee is chaired by Kevin McCoy.

c. Legislative Breakfast Series
Ms. Barry noted that Legislative Breakfasts are being scheduled by Bolton-St. Johns.

d. Legislative Strategy
Ms. Barry reported on legislative strategy regarding non-CPA ownership and other legislative issues. A discussion followed.

e. State Board Meeting Update
Ms. Thelmo reported that at the last New York State Board for Public Accountancy meeting held on January 17, 2018, that there still was no recommendation to the Board of Regents regarding a possible change in the Ethics CPE requirement. She also reported that there was still no update regarding the revisions to Rule 29.10 submitted to Board of Regents in 2016.

B18 – A – 5
The Next Generation

a. Member Acquisition and Strategic Plan
Ms. Biggers and Ms. Frizzell presented a strategic plan on membership. Their presentation included a Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis on marketing, member benefits, membership reports, and long-term and short-terms strategies to increase membership.

b. COAP Update/Gala Update/The Moynihan Scholarship Fund Update
Mr. Kirkland reported that over $80,000 had been donated toward the Moynihan Scholarship Fund. Ms. Marino commented that for every chapter that donates, the
Buffalo Chapter would match that donation. Mr. Esposito reported that the Queens/Brooklyn Chapter has reached their $2,000 limit.

c. Diversity and Inclusion Committee Update
Ms. Herringer reported that she worked with Ms. Lutolf and the communications staff on the Twitter campaign to show the face of power for International Women’s Day. She also reported the expansion of their relationship with Alpha.
Ms. Lutolf reported that Rachel Rivera is a non-CPA through the Diversity and Inclusion Committee who was involving the NYSSCPA with the National Association of Black Accountants (NABA).

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<th>B18 – A – 6</th>
<th>Public Awareness</th>
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<tr>
<td><strong>a. Communications Update</strong></td>
<td>Ms. Lutolf updated the committee on media activities since the last Board of Directors meeting.</td>
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<td><strong>b. Video Series</strong></td>
<td>This section was not discussed. Mr. Deiters moved to conclude the meeting early due to the on-going snowstorm.</td>
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<th>B18 – A – 7</th>
<th>Executive Session</th>
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<tr>
<td>Mr. Esposito moved to enter into executive session at 12:37 p.m., and Mr. Pirro seconded the motion.</td>
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<tr>
<td>Mr. Zovistoski moved to end the executive session at 12:50 p.m., and Ms. Marino seconded the motion.</td>
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<th>B18 – A – 8</th>
<th>ADJOURNMENT</th>
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<td>The meeting was adjourned at 12:50 p.m.</td>
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Respectfully submitted,

Anthony T. Abboud
Secretary/Treasurer

Approved at the July 17, 2018 Board of Directors Meeting
Agenda Item: B18-C-2