**Minutes of:** The New York State Society of Certified Public Accountants Board of Directors Meeting

**Date & Time:** Friday, September 18, 2015, 8:00 a.m. to 12:13 p.m.

**Location:** Hilton Albany, 40 Lodge Street, Albany, New York

**Presiding Officer:** Joseph M. Falbo, Jr., *President*

### NYSSCPA Board Members Present:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
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<tr>
<td>Michael Zovistoski</td>
<td>President-elect</td>
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<tr>
<td>Christopher G. Cahill</td>
<td>Vice President</td>
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<td>Jennifer R. George</td>
<td>Vice President</td>
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<td>Stephen T. Surace</td>
<td>Vice President</td>
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<td>John J. Lauchert</td>
<td>Secretary/Treasurer</td>
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<td>Scott M. Adair</td>
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<td>Jeffrey F. Allen</td>
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<td>Edward L. Arcara</td>
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<td>Paul E. Becht</td>
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<td>Jack M. Carr</td>
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<td>Anthony S. Chan</td>
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<td>Jack F. Craven</td>
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<td>Rosemarie Giovinazzo-Barnickel</td>
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<td>Elizabeth A. Haynie</td>
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<td>Elliot L. Hendler</td>
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<td>Jan C. Herringer</td>
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<td>Patricia A. Johnson</td>
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<td>Jean G. Joseph</td>
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<td>Barbara A. Marino</td>
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### NYSSCPA Board Members Absent:

- Beth Van Bladel

### Staff Present:

- Lisa Axisa
- Polina Brandis
- Robert Busweiler
- Lelio Dickenson
- Colleen Lutolf

### Guests Present:

- Frieda T. Aboyoun, FAE President
M I N U T E S

B15 — C — 0

a. Call to Order
Attendance was taken, and President Joseph Falbo established that a quorum was present and called the meeting to order at 8:00 a.m.

b. Open Session
Mr. Falbo made several introductory remarks. He announced that the meeting would begin with an open session and solicited questions or feedback on issues from non-Board members in attendance. No comments followed.

c. Introduction of Board Members
The introduction of the Board members was referred to the material in the Board packet.

B15 — C — 1

a. AICPA Update
Mr. Zovistoski discussed the potential escalation of the joint venture between the AICPA and the Chartered Institute of Management Accountants (CIMA) to create a new accounting association while continuing to operate as the AICPA and CIMA. The AICPA believes that this next step would enhance the ability to advance the accounting profession around the world, and would better meet the needs of the business and industry community by increasing capabilities in management accounting. Ms. Barry noted that the AICPA has asked for support at the state society level. Mr. Zovistoski remarked that this venture may effectively turn the AICPA into a global organization. The matter will be further discussed at the fall meeting of AICPA Council.

b. Nominating Process Update
Mr. Lauchert announced that the nominating process to serve on the Nominating Committee concluded in August, with 17 nominees for the nine openings. Mr. Falbo noted that the Board would be electing two additional members to the committee.

c. Town Hall Schedule and Format
Mr. Falbo updated the Board on the Town Hall visits that are scheduled throughout the fall with each of the chapters. The President, President-elect, and Executive Director will be updating the chapters on professional issues and soliciting member feedback.

B15 — C — 2

a. Approval of Minutes: June 1, 2015, Board of Directors Meeting
Mr. Falbo asked the Board to consider and approve the minutes of the
June 1, 2015, meeting. Ms. Giovinazzo-Barnickel moved to approve the minutes, and Ms. Montour seconded the motion. The motion passed, subject to grammatical amendments, without objection.

b. Financial Statements for the month ended June 30, 2015
Mr. Lauchert announced that the statements reflected the Society’s statement of activities for the month of June. He noted that advertising income had decreased due to a timing issue. Mr. Payano indicated that the ad agent is on target with their goals. Mr. Chan moved to accept the financial statements, and Ms. Haynie seconded the motion. The motion passed without objection.

c. Board Selection of Nominating Committee Members
Mr. Zovistoski announced that, as per the Bylaws, the Board will elect two of its members to the Nominating Committee. A list of names of those interested in serving on the Nominating Committee was provided to the Board. Mr. Falbo asked for any additional nominations from the floor; there were none. Mr. Matz and Ms. Johnson were designated to count the ballots. Ms. Marino and Mr. Becht were elected to serve as the Board representatives to the committee.

d. Audit Committee Report

i. Draft Audited Financial Statements for Year ended May 31, 2015
Mr. Falbo thanked the committee members for their work. He announced that this is the first year that CohnReznick LLP was performing the audit. Mr. Chan moved to approve the draft of the audited financial statements, and Ms. Marino seconded the motion. The motion passed without objection.

ii. Appointment of Auditors
Mr. Falbo discussed reappointment of the auditors as per the Bylaws. Mr. Mertz moved to approve the reappointment of the auditors, and Mr. Ulrich seconded the motion. The motion passed without objection.

e. Membership Report
Ms. Barry asked the Board to approve 427 new members, bringing the total to 27,626 members. She noted that the process has changed for new members. Historically, individuals would fill out an application and immediately receive member benefits without having to pay dues. Now, immediate payment is required upon completing a member application. This new process is designed to avoid the large number of terminations each year due to nonpayment of dues. Ms. Barry also noted that the
dues revenue was lower than last year because new CPAs, the bulk of our recruitment efforts, pay a lower dues rate. Mr. Falbo announced that Mr. Adair was head of the Dues Restructuring Task Force created to address this issue. Mr. Arcara moved to accept the new members, and Mr. Milisits seconded the motion. The motion passed without objection.

f. Memo Regarding Transfer of Chapter Funds
Mr. Falbo asked the Board if there were any questions regarding the memo. The Board was walked through a hypothetical transaction. Discussion followed. Mr. Payano announced that the focus is to protect the tax status of the Society and FAE. He informed the Board members that the change is an internal operational change and should be seamless for the chapters. Mr. Surace moved to accept the memo, and Mr. Mertz seconded the motion. The motion passed with no objections.

After Mr. Payano presented his report, Ms. Barry congratulated him on his promotion to CFO and thanked him for his work.

a. Chapters Update

i. Chapters Representative Open Discussion
Mr. Cahill thanked Ms. Dickenson and Ms. Axisa for their work. He announced that Chapters were the backbone of the Society and expressed a desire to help Chapters in any way possible. Mr. Surace thanked the staff for all their help and noted that there was a great mix of people at the Chapter level. No questions followed.

b. Report from the FAE President
Ms. Aboyoun announced some of the new programs and updates happening with FAE. Some of the programs included the NextGen Conference, a conference in conjunction with Baruch College, and the joint conference with Nassau/Suffolk Chapters. She noted that for the first time ever, FAE was working on two comment letters and thanked Mr. Piluso for his work in this area. Ms. Aboyoun outlined three major goals as the next steps for FAE, including enhancing alignment with Chapters, increasing the value to members, and enhanced CPE. Mr. Falbo thanked Ms. Aboyoun.

c. Dues Restructuring Task Force
Mr. Adair announced that the Dues Restructuring Task Force had met three times so far, and outlined some of the steps taken to date. These included reducing dues categories, including non-CPA member categories, and considering the idea of firm memberships. He noted that there would not be a significant monetary impact and that the goal was to
have something more concrete presented at the November meeting of the Executive Committee.

d. Goal Update
Mr. Markezin discussed the goals currently in focus for professional excellence and integrity. These goals were to broaden the membership base; to increase the use of communication technologies, such as Exchange and the hotline; to examine technical publications, such as the Tax Stringer, as well as practice quality, which includes peer review; to add employee benefit auditing; and to emphasize the quality of CPE offerings.

a. Society Comment Letters
Ms. George stated that the NYSSCPA is one of the most prolific, with respect to issuing comment letters. Since June 1, 2015, there have been 12 comment letters issued—most were accounting and auditing related and one tax related. No questions followed. Mr. Falbo thanked Ms. Herringer for her work on the letters. He noted that the NYSSCPA issues more comment letters than all the other state societies combined.

b. Committees Update
Mr. Todres was not present at the meeting. In his place, Mr. Markezin reported that committee meetings and applications to committees have increased, when compared to the prior year. He noted that there was a push to recruit younger members to join committees. He also announced that the Banking Committee would soon be reinstated, with a new chair.

c. Legislative and Regulatory Updates
Mr. Busweiler announced that the private investigator licensure exemption bill that the Society supported had passed. He noted that the non-licensee ownership bill has been pulled out of the budget. Mr. Busweiler remarked that the Society has been tracking several mandatory auditor rotation bills, but that they were not expected to get any traction in the Legislature. He also spoke about progress being made with regard to estate tax reform. Mr. Busweiler announced the opening of the NYSSCPA’s Albany satellite office and noted that the Northeast Chapter will be hosting a meeting at the location. He concluded by noting that the legislative session is held January to June, so all the legislators were currently back in their districts.

d. Draft of Annual Legislative Agenda
Mr. Busweiler announced that the draft agenda codifies the NYSSCPA position on legislative issues. The draft legislative agenda contained the following topics: Estate Tax Reform, Protection of the Internal Audit Function for Public School Districts, and Non-CPA firm ownership. The draft agenda also called for the Society to begin investigating additional
topics for future years, including enhancements to CPAs working in industry, the improvement of the overall business climate, and developing regulations for CPAs dealing with clients involved in medical marijuana activities.

Mr. Carr moved to remove non-CPA ownership items off the agenda, and Mr. Craven seconded the motion. After further discussion, Mr. Carr rescinded his motion. Mr. Allen moved to accept the legislative agenda, and Ms. Marino seconded the motion. Mr. Carr abstained. The motion was passed without objection. Educational data on the issue will be distributed to the Board.

e. Goal Update
Mr. Pryba reported on the advocacy goals. He reiterated that the Society recently opened an office in Albany, and has been effective in developing an annual legislative agenda. The Society continues to work on increasing its influence in Albany through proactive outreach on issues and hosting events such as the legislative breakfasts to connect members with their elected officials.

The Next Generation

a. Moynihan Fund Update
Ms. Axisa announced that The Moynihan Fund supports two programs, COAP and the FAE Scholarships. She discussed some upcoming fund-raising events.

b. Young Leadership Circle Strategic Plan
Ms. Axisa introduced the Young Leadership Circle mission and goals and noted that the focus of the program is to create a new generation of leaders for the profession and for the Society. Three Young Leadership members introduced themselves to the Board, and some discussion followed.

c. Goal Update
Ms. Axisa described the target of NextGen as all members under 35, both those who are still in school and graduates. She noted some of the outreach methods that have been engaged to further the goals of NextGen. Mr. Falbo remarked that there is no substitute for reaching out and sharing experience with young people; he noted that he had a good experience at the NextGen Conference.

Public Awareness

a. Media Relations Update
Ms. Lutolf discussed such topics as media relations, content, and design. She mentioned the new content management system that reported on hits per month to the website. She noted that the nysscpa.org website was redesigned and relaunched.
b. **NextGen Newsletter Launch**

Ms. Lutolf announced that the NextGen newsletter is currently being sent to people under 35 years of age, but that can be expanded and could be sent to everyone. She noted that *The Trusted Professional* was now issued 6 times a year, as opposed to 12 times a year in order to begin transitioning members to the website. Ms. Lutolf also addressed the *Tax Stringer’s* five-year anniversary and the website redesign to commemorate this occasion.

c. **Financial Literacy Program Launch**

Mr. Robertson announced the new initiative in connection with Financial Literacy—the “Get Money Smart” program. Mr. Robertson played the radio advertisements currently featured during football games for the New York professional teams. He noted the raffle of two luxury tickets and explained the secondary objectives of the ads, which included, among other things, exposure in the community and brand exposure.

d. **Goal Update**

Ms. Lutolf and Mr. Robertson gave an overview of the changes and events occurring in media relations. Mr. Falbo thanked Ms. Lutolf and Mr. Robertson for their tremendous work, as well as for their efforts in servicing the members.

An executive session was held at 12:07 p.m.

Mr. Falbo moved to adjourn the meeting at 12:13 p.m., and the motion was seconded. There being no objection, the meeting was adjourned.

Respectfully submitted,

John J. Lauchert
Secretary/Treasurer