Minutes of: Foundation for Accounting Education
Board of Trustees Meeting

Date & Time: Thursday, December 12, 2013, 9:05 a.m.
to 3:22 p.m.

Location: NYSSCPA Offices, 14 Wall Street, 19th
Floor, New York, New York

Presiding Officer: John J. Lauchert, President

Trustees Present: Jennifer R. George, President-elect
Frieda T. Aboyoun, Secretary
F. Michael Zovistoski, Treasurer
David Evangelista
Ronald B. Hegt
Douglas L. Hoffman

Staff Present: Amy Broderick
Denise Osorio

MINUTES

FB13 — E — 0
Call to Order
President John Lauchert noted that a quorum was present and
called the meeting to order at 9:05 a.m.

FB13 — E — 1
Minutes
a. Approval of Minutes of September 26, 2013
Mr. Lauchert asked the Trustees to approve the minutes of the
September 26, 2013, FAE Board of Trustees meeting. Mr. Piluso
moved to approve the minutes, and Mr. Hegt seconded the motion.
The motion passed without objection. Messrs. Evangelista and
Levitin abstained.

FB13 — E — 2
President’s Report
Mr. Lauchert explained that the Society had contracted with
Network Media Partners to sell sponsorships for FAE events. Ms.
Barry added that Network Media Partners would also be selling
advertising for the Society and that they would offer combined
advertising and sponsorship packages.

Mr. Lauchert announced that FAE would be adding additional two-
and four-hour web classes to increase web revenue, and Ms.
Osorio added that these web classes would expand on the web
programs already being offered. Mr. Lauchert then outlined
upcoming programs for the Trustees.
Mr. Lauchert announced that a creative team had been assembled to come up with different ways to market FAE events and increase revenue. He mentioned that the team developed a cyberweek sale on conferences and seminars that resulted in approximately $18,000 in revenue.

Ms. Barry reported that the Society had launched an online store to sell merchandise in an effort to generate revenue. Mr. Lauchert added that FAE and the Society were experimenting with new concepts to create excitement around the organizations. Ms. Barry noted that a new staff person is focusing on increasing FAE’s presence on social media platforms.

Mr. Lauchert explained that FAE was working with Camico to launch a new certificate program for risk management. He added that the certificate program would require 24 credit hours in risk management and that FAE was negotiating with Camico to offer a premium discount to FAE risk management certificate holders. Ms. Barry added that she was looking into the requirements for offering certificate programs.

The Trustees further discussed ways to increase revenue and create excitement surrounding FAE programs.

FB13 — E — 3  
Committee Chair Reports  

a. COAP Summer Program Update

Mr. Kanan announced that he had put together a proposal to research Career Opportunities in the Accounting Profession (COAP) graduates, focusing on three areas—where they are now, what they are doing, and whether they are Society members. Mr. Kanan added that he had an agreement in principle to proceed, and was waiting on funding. He noted that it may be beneficial to look into AICPA funding.

Ms. Barry explained the logistics of the COAP program to the Trustees and discussed whether COAP should be set up as its own 501(c)(3) to govern and fund itself. The Trustees agreed to discuss this further at the next meeting.

b. Scholarship Committee Update

Ms. Johnson announced that the committee met in September to look at the applications for the upcoming year. She added that a meeting was scheduled for April to make decisions on the applications. Mr. Piluso noted that there was $140,000 available for scholarships.

c. Curriculum Committee Update

Ms. Aboyoun announced that the Curriculum Committee met in
October and revised the mission statement to include educating the public. She added that the committee would like to work with staff to develop topics.

Ms. Aboyoun announced that a Task Force for emerging leaders had been created and that the Task Force was chaired by Mr. Piluso. Mr. Piluso announced that the Task Force met on November 18, 2013, and discussed the broad mission of the Task Force. Mr. Piluso announced that the task force would create a certificate program for young CPAs who would be emerging leaders. The program would consist of three parts: seven two-hour webcasts, attendance at a chapter meeting with CPE and networking, and at least one session at the Young CPAs Conference. Upon completion of the three requirements, the young CPA would receive a certificate.

Mr. Piluso announced that the Task Force was working with AIM Strategies on the emerging leaders program and that there would be a large marketing effort for the program. Ms. Aboyoun added that she would like to use the creative team to help market the program.

Ms. Aboyoun thanked Mr. Piluso for his efforts on the Task Force.

d. Governance Subcommittee

Mr. Hegt announced that the Governance Subcommittee had met on October 29, 2013, and discussed Board structure as well as whether the Society should include an indemnification provision in its Bylaws, as FAE has. The Trustees further discussed the structure of the Society’s Board of Directors.

e. Benevolent Fund Subcommittee

Mr. Lauchert gave the Trustees a brief overview of the Benevolent Fund application and mentioned that the application had been denied because the applicant was a student member.

Mr. Piluso moved to approve the denial of a Benevolent Fund application, and Mr. Zovistoski seconded the motion. The motion passed without objection.

Ms. George announced that Mr. J. Michael Kirkland, NYSSCPA President, had appointed the Task Force to discuss ways in which to increase collaboration and cooperation between the Society, the chapters, and the committees. Ms. George noted that the chapters had mentioned dissatisfaction with FAE fees and not getting information in a timely fashion. She added that the chapters feel that FAE should be a resource to them for speakers and topics, and that the creation of a members-only speaker’s bureau had been discussed. Ms. George noted that the Task Force had also
discussed pairing young CPA speakers with veteran speakers to help develop their skills. She added that the Task Force had discussed creating chapter/FAE liaisons as specific contact points for chapters in order to facilitate better communication.

The Trustees discussed creating a faculty bank of vetted speakers for chapter events. Mses. Barry and Osorio stated that they would develop a plan for presentation at the February meeting.

Ms. Osorio gave the Trustees an overview of the FAE Flash Report. She announced that 35% more seminars and 21% more conferences are being offered. Ms. Osorio added that web delivery is increasing attendance. She explained that FAE is still much stronger than other providers and that there has been a growth in on-site learning.

Mr. Zovistoski presented the statement of activities as of October 31, 2013. Mr. Payano explained the new allocation methodology for the Trustees, and Ms. Osorio described the expected revenue sources for the 2013–2014 fiscal year.

Mr. Zovistoski presented the financial statements as of October 31, 2013. The Trustees further discussed the financials and revenue sources.

Mr. Hegt explained that governance and operations policies had been compiled, and asked the Trustees to review the policies and offer their feedback. The Trustees suggested the following changes to the documents:

NYSSCPA/FAE Affiliation Agreement:

Section 2 (a, b, and c)–The Trustees suggested that these should all be by mutual agreement.

Section 3(b)–The Trustees suggested that this be amended so that it is not in conflict with the FAE Bylaws.

Section 3(a)–The Trustees asked for clarification of this provision.

Section 4(d)–The Trustees questioned whether a reference to NASBA and State Education Department requirements should be added.

Section 7–The Trustees suggested adding language requiring the NYSSCPA to grant funds retroactively in order to even out the books.

Exhibit A–The Trustees questioned the relevance of language requiring books to be delivered to course locations.

Disclaimer:
The Trustees suggested including language stating that only FAE can issue CPE for FAE courses.

OP-3–Contract Approval Policy:
The Trustees suggested striking the last sentence regarding monthly reports of FAE contracts.

After further discussion, Mr. Zovistoski moved to strike the last paragraph of OP-3, and Ms. George seconded the motion. The motion passed without objection.

FAE Bylaws:
The Trustees suggested amending the requirements to become President.

After further discussion, Mr. Piluso moved to amend the FAE Bylaws so that any person who is or has been a member of the Trustees can be nominated by the Board of Trustees to be President, and Mr. Evangelista seconded the motion. Ms. Johnson opposed. The motion passed*

*This motion was in violation of the FAE Bylaws and is therefore void.

The Trustees suggested adding language to state that the Treasurer can be an officer of both the NYSSCPA and FAE, but that no other NYSSCPA officer can be a FAE officer.

The Trustees asked for clarification of Section 4(a) regarding what happens if the NYSSCPA Board does not provide at least twice the number of nominees.

The Trustees questioned whether Section 7(b) had to be unanimous under not-for-profit law.

The Trustees noted that there was a typographical error in Article III, Section 2.

Mr. Lauchert thanked everyone for their input.

Ms. Barry explained that she had been doing research and outreach for a partnership with FAE. She gave the Trustees an overview of her meetings and stated that the best option for a partnership was the Ohio Society of CPAs. Ms. Barry noted that Ohio brings the technology platform to the partnership, while FAE brings the content. She explained the specifics of the technology platform and a timeline for the partnership.

The Trustees discussed the benefits and drawbacks of a partnership. Ms. Aboyoun thanked Ms. Barry for her work.
To be addressed at a future meeting.

In-Reach/AURA
Innovative
Technology

To be addressed at a future meeting.

QC Review Process of
Speakers and Content

Mr. Piluso gave the Trustees a brief overview of the Investment Policy, and the Trustees further discussed the policy.

Mr. Zovistoski moved to approve the Investment Policy, and Mr. Evangelista seconded the motion. The motion passed without objection.

Mr. Lauchert announced that the next meeting would be held on February 13, 2014, at the NYSSCPA offices.

Mr. Zovistoski moved to adjourn the meeting at 3:22 p.m., and Mr. Evangelista seconded the motion. There being no objection, the meeting was adjourned.

Respectfully submitted,

Frieda T. Aboyoun
Secretary