**Minutes of:** Foundation for Accounting Education, Inc.,
Board of Trustees Meeting

**Date & Time:** Thursday, December 15, 2016, 10:00 a.m. to 2:33 p.m.

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

**Presiding Officer:** David Evangelista, President

**Trustees Present:**
- Steven S. Mezzio, President-elect
- John J. Lauchert, Treasurer
- Anthony S. Chan
- Kevin Matz
- Steven M. Morse
- Johanna M. Richman
- Raynard Zollo

**Trustees Participating via Conference Call:**
- Lori Jansen, Secretary
- Sidney Kess

**Trustees Absent:**
- Frieda T. Aboyoun
- Stephen T. Surace

**Staff Present:**
- Denise Osorio
- Patrick Payano
- Joanne Thelmo
- Janice Torres

**Guests Present:**
- CJ Orr

**Guests Participating via Conference Call:**
- Matthew T. Clohessy

**MINUTES**

| FB16 – E – 0 | a. Opening Remarks and Introductions |
Mr. Evangelista noted that a quorum was present and called the meeting to order at 10:00 a.m.

| FB16 – E – 1 | a. **FAE UPDATE**  
| President’s Report | Mr. Evangelista presented his report and noted that December is peak CPE season for FAE.  
| | b. **Centralizing CPE**  
| | Mr. Evangelista updated the Board on FAE’s activities to increase the recognition of FAE’s brand and its offerings to members. Highlights included 1- to 2-hour webcasts, in partnership with Commerce Clearing House (CCH), and the addition of new conferences, such as the Sustainability Investment Leadership Conference. He also noted that a new pricing model for CPE offerings would be discussed later.  
| | c. **Nominating Process for FAE Board of Trustees**  
| | Ms. Thelmo explained the election process.  
| | d. **Moynihan Fund and Fund-Raising Update**  
| | Mr. Evangelista announced that the Moynihan Fund Gala is scheduled to take place on May 17, 2017, at Chelsea Piers. Mr. Orr provided an update on the entertainment and fund-raising efforts. He encouraged the FAE Trustees to consider sponsorship and attend the Gala. A discussion followed. |

| FB16 – E – 2 | a. **Approval of Minutes of September 22, 2016**  
| Action Items | Mr. Evangelista asked if the Trustees had any changes to or comments on the minutes from the September 22, 2016, FAE Board of Trustees meeting. Mr. Matz and Mr. Chan provided edits. Mr. Morse then moved to approve the minutes as amended, and Mr. Chan seconded the motion. The motion passed without objection.  
| | b. **Elimination of Fundraising Committee**  
| | Mr. Evangelista explained that the Society’s Governance Subcommittee was reviewing the creation of a new 501(c)(3) organization that would be responsible for The Moynihan Fund, COAP, scholarships, and fund-raising. The entity would be established by June 1, 2017, and the investment funds for scholarships and assistance held by FAE would then need to be transferred to the new entity. As a result, Mr. Evangelista stated that there is no need for FAE to have a Fundraising Committee, as FAE’s focus is education. He opened the floor for discussion.  
| | A motion was made by Mr. Morse to eliminate the FAE Fundraising Committee; it was seconded by Mr. Mezzio. The motion passed without |
any objections.

c. Approval of Brightcove Contract

Mr. Evangelista provided the Trustees with an overview of the Brightcove contract, which is valued in excess of $100,000 and requires the Trustees’ approval. A discussion followed regarding the terms of the contract.

Mr. Laucht moved to approve the contract for one year; Mr. Chan seconded the motion. The motion passed without objection.

d. Approval of Student Research Paper Contest

Mr. Evangelista introduced Mr. Clohessy, Chair of the Technology Assurance Committee. Mr. Clohessy provided the Trustees with an overview of the student research paper contest and requested funding in the amount of $2,000 to be awarded to the selected students. A discussion followed, with questions raised as to whether or not support should be provided by the Society or FAE. Mr. Evangelista explained that since more information was needed, no action needed to be taken at this time. He then called for a vote to table this matter, and the Trustees agreed unanimously.

e. Approval of New Pricing Model for Chapter CPE

Mr. Evangelista proposed a new CPE pricing model for Chapter CPE administration. A discussion followed. It was decided to table this discussion.

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<th>FB16 – E – 3</th>
<th>a. FAE Standing Rules and NYPMIFA Update</th>
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<td>Operational Reports</td>
<td>Mr. Evangelista provided an overview of the three revised investment policy statements, which resulted in the creation of FAE’s Standing Rule 2. He added, however, that based upon the Governance Subcommittee’s recommendation to form a new 501(c)(3) entity for COAP and the scholarships, it would make changes to the investment policies and standing rules irrelevant. Mr. Mezzio motioned to amend the Moynihan Policy, and Mr. Zollo seconded the motion. The motion passed without objection.</td>
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<td>Investment Policy Statement Update</td>
<td>Mr. Matz motioned to approve Standing Rule 2 as amended, and Mr. Zollo seconded the motion. The motion passed without objection.</td>
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<td>Committee Chair Reports</td>
<td>Mr. Evangelista provided an overview of the New York Prudent Management of Institutional Funds Act (NYPMIFA). Ms. Thelmo and Mr. Payano provided additional information and explained its applicability to FAE’s investment funds. Based upon the discussion and information provided, no action was needed because all three funds are in compliance with the NYPMIFA.</td>
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<td>a. COAP Program Update</td>
<td>Ms. Barry provided a brief history of COAP. She explained that the number of COAP locations would be reduced to five to ensure that the</td>
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quality of administering the program was maintained.

b. **Scholarship Committee**

Mr. Zollo announced that he will report on the Scholarship Committee after its meeting on April 28, 2017.

c. **Curriculum Committee**

Mr. Matz discussed the activities of the Curriculum Committee. He noted that LinkedIn and Exchange should be utilized more to bring greater awareness of the course offerings to the members.

d. **Investment Committee**

Mr. Lauchert provided an update on the Investment Committee to the Trustees. Mr. Evangelista noted that FAE’s investment manager will be in attendance to provide the Trustees with an update at the April 20, 2017, meeting.

e. **Finance Committee**

Mr. Lauchert provided a brief update on the Finance Committee’s activities.

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<th>FB16 – E – 5 Flash Reports</th>
<th>a. <strong>Memo to FAE Trustees</strong></th>
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<td>Ms. Osorio presented her memo, along with an evaluation of the courses. She updated the Trustees on the results of FAE’s products, e.g., conferences and on-site sales.</td>
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<td>b. <strong>FAE Flash Report for the Five Months Ending October 31, 2016</strong></td>
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<td>Ms. Osorio provided an overview of the flash report. She noted that FAE’s peak season is from October through January, and that although there are fewer in-person attendees, there was a slight increase in web attendance.</td>
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<td>c. <strong>FAE Year-to-Date (YTD) Flash Report</strong></td>
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<td>Ms. Osorio presented the YTD flash report and provided an update on the performance of seminars and conferences. A discussion followed.</td>
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<td>Mr. Lauchert presented the financial statements for the five months ending October 31, 2016. He reviewed the statement of activities and noted that, in comparison with last year, the financials were favorable.</td>
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<th>FB16 – E – 7 For Discussion</th>
<th><strong>Implementation Plan for New Pricing Model</strong></th>
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<td>Mr. Evangelista informed the Trustees that the 2017 budgetary process is in progress, and June 1, 2017, is the target date for implementation. A discussion followed.</td>
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<td><strong>FB16 – E – 8</strong></td>
<td>Mr. Evangelista announced that the next meeting is scheduled for February 9, 2017, at 9:00 a.m., at the Society’s offices.</td>
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<td><strong>Adjournment</strong></td>
<td>Mr. Mezzio moved to adjourn the meeting at 2:33 p.m., and Mr. Matz seconded the motion. There being no objection, the meeting was adjourned.</td>
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Respectfully submitted,

Lori Jansen  
*Secretary*