| Minutes of: | Foundation for Accounting Education, Inc.  
|            | Board of Trustees Meeting |
| Date & Time: | Thursday, December 17, 2015,  
|             | 9:00 a.m. to 2:20 p.m. |
| Location: | 14 Wall Street, 19th Floor, New York, NY |
| Presiding Officer: | Frieda T. Aboyoun, President |
| Trustees Present: | Harold L. Deiters III, President-elect  
|                  | Steven M. Morse, Secretary  
|                  | John J. Lauchert, Treasurer  
|                  | Joanne S. Barry, Executive Director  
|                  | Christopher Dogas  
|                  | Lori Jansen  
|                  | Kevin Matz  
| Staff Present: | Halliman R. Alexander  
|                  | Denise Osorio  
|                  | Patrick Payano  
|                  | David Evangelista  
|                  | Steven Mezzio  
|                  | Raynard Zollo  
|                  | Richard E. Piluso  
|                  | M. Jacob Renick |

**MINUTES**

| FB15 — E — 0 | Ms. Aboyoun called the meeting to order at 9:00 a.m.  
|              | Welcoming remarks and introductions followed. |
| FB15 — E — 1 | **a. FAE Strategy Update**  
| President’s Report | Ms. Aboyoun presented the report, beginning with updates on the success of the Alternative Investments, Business in Industry, Anti-Money Laundering, and Exempt Organizations conferences; as well as the partnership with CAMICO and some of the goals related to the Risk Management Conference and Certificate Program. She also highlighted the successes of the Accounting & Auditing for Broker Dealers technical sessions and the Hedge Found Round Table on Sustainability. Ms. Aboyoun noted the positive feedback received on the Risk Management Conference. |
b. FAE Comment Letters
Mr. Piluso led the task force on both the CPE Standards and CPA Exam Comment Letters. The action the forward the letters to forward was previously voted on and approved.

c. Nominating Process for FAE Board of Trustees
Ms. Barry clarified that nominations go before a selection subcommittee before the Society’s March Board meeting, and new officers are elected at the beginning of the fiscal year. A discussion followed.

d. Benevolent Fund Review Process
Ms. Aboyoun presented a high-level overview of the Benevolent Fund review process, commenting that at the first meeting of every year, Committee Chairs are appointed. Typically, FAE Officers are appointed members of the Benevolent Fund Committee. A discussion followed.

Action Items

a. Approval of Minutes of September 17, 2015
Mr. Deiters moved to approve the minutes, noting the error to be corrected in section FB15-D-5. Mr. Renick seconded the motion. The motion passed without objection.

b. Approval of Scholarship Award Increase from $2,500 to $3,000
Mr. Zollo moved to approve the award increase. Mr. Lauchert seconded the motion. Three voted in favor, seven voted in opposition; two abstained. The motion was defeated.

c. Approval Process of David J. Moynihan Fund Spending
Mr. Zollo moved to approve the process with the following specific language:
For purposes of allocating The Moynihan Fund contributions received during the 2015–2016 fiscal year, the amounts of contributions allocated to Scholarships and the COAP program shall be the same dollar amounts as were specifically contributed to those two programs in the immediate prior fiscal year (2014–2015), and any excess
contributions from the 2015–2016 fiscal year shall be set aside and held into the future until such time that the Board determines how such excess contributions should be used. For example, if in the 2014–2015 fiscal year the Scholarship contributions received were $50,000 and the COAP contributions received were $200,000, for a total of $250,000 in contributions received, and in the 2015–2016 fiscal year the total Moynihan Fund contributions received are $350,000, $50,000 of such contributions shall be used for Scholarships, $200,000 of such contributions shall be used for the COAP program, and the remainder of $100,000 shall be set aside and held by FAE pending future determination of use of such funds.

Mr. Renick seconded the motion. The motion passed without objection.

| FB15 — E — 3 | a. COAP Program
| Operational Reports | Mr. Dogas reported that work on the upcoming COAP program, currently scheduled to begin in June 2016, is under way. He noted that there are nine partner schools that participate in the program, and each chapter that is affiliated with one of the nine schools has a local committee.

b. Scholarship Committee Update
Mr. Zollo recommended to the committee that new software be implemented to filter down the overflow of scholarship-related information. He noted that there is currently a list of 20 schools that participate in the scholarship program, and each one receives two scholarships. From his research, schools with five year Accountancy programs have developed a pattern of pocketing scholarship funds to refill their “pool,” instead of reciprocating to awarded students. A discussion followed.

c. Curriculum Committee Update
Mr. Evangelista proposed the need to create a sense of community among NYSSCPA members. He noted that, with respect to CPE events, there needs to always be an opportunity for CPAs to network with their peers. A discussion followed.

d. Investment Committee Update and IPS Modification Request
Mr. Piluso reported that the FAE investment portfolio has
been static since September 30, 2015. FAE’s current investment allocation is through a joint venture between BlackRock and Merill Lynch. In this instance, Merrill Lynch acts as an advisor and provides oversight of the portfolio. Pursuant to the IPS Modification request, Merrill Lynch identified an investment within the portfolio that contained derivatives and advised on a policy and an allocation change to allow for those derivatives. The resolution has been tabled until such time that the proper policy language has been identified.

**Flash Reports**

**FB15 — E — 4**

**Memo to FAE Trustees**
Mr. Osorio reported that the memo outlined FAE operating milestones and other activities from June to year-to-date.

**FAE Flash Report for Five Months Ending October 31, 2015**
Mr. Osorio presented the flash report. She noted that the actual activity only represents a small portion of FAE’s business—roughly 20%. The uptrend in web-based course registration continues.

**FAE Flash Report YTD**
Mr. Osorio presented the year-to-date flash report. She noted that there were fewer seminars offered, which resulted in lower in-person registration overall. She elaborated on strategies put in place to close the in-person registration shortfalls, as well as grow overall attendance.

**FAE Financials**

**FB15 — E — 5**

**Financial Report for Five Months Ending October 31, 2015**
Mr. Payano and Mr. Lauchert reported on the financials. Mr. Lauchert provided a breakdown of revenue from operations, in comparison to last year. Mr. Payano elaborated on the expense allocations per department. A discussion followed.

**COAP Program Expansion**

**FB15 — E — 6**

Mr. Morse presented the possibility in fiscal 2016–2017 of including schools for deaf students in future COAP programs, should the numbers and interest exist. A discussion followed.

**Ms. Aboyoun reported on the progress of the Management Task Force. She noted that the key areas of focus were**
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<th>FAE Strategic Planning Update</th>
<th>expense reduction and rebranding FAE. Ms. Barry mentioned the extensive changes in the CPE marketplace and, as a result, the subsequent changes to the FAE business plan. A discussion followed.</th>
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| FB15 — E — 8 Other Matters     | **a. Future Meetings**  
While the dates of Thursday, February 11, 2016, and Tuesday, April 26, 2016, were previously announced by Ms. Aboyoun, a survey will be conducted to finalize the dates and times of the next two meetings.  
**b. Adjournment**  
The meeting was adjourned upon unanimous consent, at 2:20 p.m. |

Respectfully submitted,

Steven M. Morse  
Secretary