Minutes of: Foundation for Accounting Education
Board of Trustees Meeting

Date & Time: Thursday, April 24, 2014, 9:01 a.m. to 1:55 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
Ronald B. Hegt

A. Rief Kanan
Moshe S. Levitin
Richard E. Piluso
Joanne S. Barry, Executive Director

Trustees Absent: David Evangelista
Douglas L. Hoffman
Patricia A. Johnson

Staff Present: Amy Broderick
Aryeh Love
Denise Osorio
Patrick Payano

Guests Present: John Holst
Jane Lilienthal
Madelyn Miller
Scott Pearlman

MINUTES

FB13 — B — 0 Call to Order

President John Lauchert noted that a quorum was present and called the meeting to order at 9:01 a.m.

FB13 — B — 1 Minutes

a. Approval of Minutes of February 13, 2014

Mr. Lauchert asked the Trustees to approve the minutes of the February 13, 2014, FAE Board of Trustees Meeting. Ms. George moved to approve the minutes, and Mr. Zovistoski seconded the motion. The motion passed without objection.

FB13 — B — 2 Merrill Lynch Presentation of the Investment Committee

Mr. Lauchert introduced Messrs. Holst and Pearlman, and explained that they would be presenting the investment portfolio and results. Mr. Holst explained the relationship between Merrill Lynch and BlackRock Private Investors. Messrs. Holst and Pearlman then presented an overview of the investment portfolio and answered the Trustees’ questions.

Mr. Piluso thanked Messrs. Holst and Pearlman for their time and their presentation.
Mr. Lauchert expressed optimism regarding FAE’s recent accomplishments. He overviewed the changes made to delivery of CPE, including the addition of web delivery, and offering fewer seminars and conferences.

Mr. Lauchert noted that the new e-store offers FAE an opportunity to grow. The Trustees discussed different pricing options, including group pricing and flash promotions. Mr. Lauchert noted that the e-store includes the ability to track evaluations and certificates of completion, as well as to maintain outside CPE records in one place.

He noted that the Young CPAs Conference would be held in June and that the conference was a great event and a good opportunity for networking.

a. COAP Program

Mr. Kanan stated that the last statewide COAP meeting was held on May 2, 2014, and added that he enjoyed working with Ms. Lisa Axisa, NYSSCPA Director of Membership Recruitment & Retention, and Ms. Tekecha Morgan, NYSSCPA Manager of NextGen Programs.

Mr. Kanan noted that there were 12 COAP Programs and that they were recruiting from approximately 100 high schools. He announced that approximately $78,000 had been raised from banquet proceeds.

Mr. Kanan added that the project of tracking COAP participants is going well, and that 3,220 people had been served over the 26 years of the program.

b. Scholarship Committee

To be addressed at a future meeting.

c. Curriculum Committee

Ms. Aboyoun stated that the Curriculum Committee had reviewed and revised its mission statement. She added that the committee was focused on selecting topics for seminars and at looking at the new business plan and growing web events. Ms. Aboyoun announced some of the committee’s accomplishments, including introducing one- and two-hour webcast series and bundled course concentrations.

She noted that the next meeting would be held in May and thanked everyone on the committee for their work. Ms. Aboyoun also thanked Ms. Osorio and her staff on behalf of the committee.

Mr. Levitin stated that Ms. Aboyoun had done great work on the
d. **Governance Subcommittee**

Mr. Hegt thanked everyone for their efforts this year and explained that the Trustees would need to vote on the Bylaws changes and the affiliation agreement later in the meeting.

Mr. Piluso briefly overviews the spending policy for the Trustees. The Trustees discussed possible options for funding scholarships and FAE's ability to track scholarship recipients.

Ms. Barry noted that staff was planning a fund-raising gala for scholarships and the COAP program, to be held at Chelsea Piers.

After further discussion, Ms. Aboyoun moved to establish a separate bank account to fund the scholarships in the amount of $148,000, and Mr. Hegt seconded the motion. The motion passed without objection.

The Trustees discussed the possibility of requiring that scholarship recipients be Society members, and recommended that the scholarship committee examine the option of offering free Society membership to scholarship recipients.

Ms. Osorio presented the FAE Flash Report. She stated that the number of seminars and conferences had increased, however registrations were still down. Ms. Osorio announced that a new pricing structure had been implemented.

Ms. Osorio then outlined the different programs being developed and noted that FAE is negotiating with external vendors to develop content for the e-store. Ms. Barry added that FAE was examining opportunities to partner with other state societies to share content.

The Trustees discussed ways to increase conference attendance.

Mr. Zovistoski presented the financial statements. Mr. Zovistoski gave the Trustees a line-by-line overview of the statements of activities and the statements of financial position.

Mr. Love gave the Trustees a demonstration of FAE’s e-store and explained the e-store’s different functions.

Mr. Hegt gave the Trustees an overview of the following Bylaws change:

> FAE Bylaws, Article II, Section 4(a) –

(a) Appointments by the Board of Trustees. The Trustees shall appoint individuals to fill vacancies of Board-appointed
Trustees occurring annually on the Board from among nominees made by the Society’s Board of Directors, provided the number of such nominees shall be at least twice the number of vacancies needing to be filled. Should the Society’s Board of Directors fail to provide the required number of nominees under this Section, the Trustees, individually or jointly, may solicit and nominate enough additional nominees required under this Section. Any Trustee appointed to fill the unexpired term of a Trustee shall hold office until the next Annual Meeting and until his or her successor is appointed and qualified.

After further discussion, Mr. Hegt moved to approve the Bylaws change, and Mr. Piluso seconded the motion. The motion passed without objection.

FB13 — B — 10
Affiliation Agreement

Mr. Lauchert overviewed the Affiliation Agreement discussions and the changes made to the Agreement.

After further discussion, Mr. Hegt moved to approve the amended 2014 NYSSCPA/FAE Affiliation Agreement, and Mr. Piluso seconded the motion. The motion passed without objection.

FB13 — B — 11
Election of Three FAE Trustees to Fill Vacancies as of May 31, 2014

Mr. Lauchert announced the six candidates put forward by the Society Board. The Trustees asked Ms. Aboyoun to leave the room and then discussed the six candidates.

The Trustees voted and Ms. Frieda T. Aboyoun, Mr. Steven M. Morse, and Mr. Raynard Zollo were elected to fill the FAE vacancies.

Mr. Lauchert thanked Mr. Levitin for his service on the Board of Trustees, and also thanked Mr. Hoffman for his service, as both Messrs. Levitin and Hoffman were rotating off the Board. Mr. Lauchert thanked the Trustees for the opportunity to serve as President.

Mr. Levitin thanked the Trustees for the opportunity to serve on the Board. Mr. Piluso and Ms. Aboyoun thanked Mr. Levitin for his service on the Board and thanked Mr. Lauchert for his service as President.

FB13 — B — 12
Schedule of Future Meetings

Ms. George thanked Mr. Lauchert for his service and encouragement. She outlined the following schedule of future meetings:

Tuesday, June 3, 2014—Conference Call
Monday, July 14, 2014—Conference Call (if necessary)
September 11, 2014—Albany
Thursday, December 11, 2014—Society Offices
Thursday, February 12, 2015—Society Offices
Thursday, April 23, 2015–Society Offices

Ms. George announced that Messrs. J. Michael Kirkland and Scott M. Adair would be serving as the Society’s Board-appointed Trustees for the 2014–2015 fiscal year.

Adjournment

Mr. Zovistoski moved to adjourn the meeting at 1:55 p.m., and Ms. George seconded the motion. There being no objection, the meeting was adjourned.

Respectfully submitted,

Frieda T. Aboyoun
Secretary