

<b>Minutes of:</b>	The New York State Society of Certified Public Accountants Executive Committee Meeting	
<b>Date &amp; Time:</b>	Friday, February 24, 2017, 9:00 a.m. to 1:29 p.m.	
<b>Location:</b>	NYSSCPA Offices, 14 Wall Street, 19 <sup>th</sup> Floor, New York, NY, Conference Room #1	
<b>Presiding Officer:</b>	F. Michael Zovistoski, <i>President</i>	
<b>Executive Committee Members Present:</b>	Harold L. Deiters III, <i>President-elect</i> John J. Lauchert, <i>Secretary/Treasurer</i> Edward L. Arcara Rosemarie Giovinazzo-Barnickel Joanne S. Barry, <i>Executive Director</i>	
<b>Executive Committee Members Participating via Conference Call:</b>	Gregory J. Altman, <i>Vice President</i> Susan M. Barossi, <i>Vice President</i> Anthony S. Chan, <i>Vice President</i> John S. Shillingsford, <i>Vice President</i> Jacqueline E. Miller Iralma Pozo	
<b>Board of Directors Present:</b>	Warren Ruppel	
<b>Guests Present:</b>	Anthony T. Abboud	
<b>Staff Present:</b>	Lisa Axisa Jalissa Brown Colleen Lutolf Ernest Markezin Patrick Payano Joanne Thelmo	

## MINUTES

<b>EC16— I— 0</b>	<p><b>a. Call to Order</b></p> <p>Mr. Zovistoski acknowledged there was a quorum and welcomed everyone to the meeting. He introduced Mr. Abboud, Secretary/Treasurer nominee,</p>
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	to the Executive Committee members.
<p><b>EC16— I— 1 Action Items</b></p>	<p><b>a. Approval of Minutes of November 4, 2016, Executive Committee Meeting</b></p> <p>Mr. Zovistoski asked for a motion to approve the minutes of the November 4, 2016, meeting. Ms. Giovinazzo-Barnickel made a motion to approve the minutes, and Mr. Altman seconded the motion. The motion passed without any objections.</p> <p><b>b. Financial Statements Ending December 31, 2016</b></p> <p>Mr. Lauchert presented the financial statements. Ms. Pozo made a motion to approve the financial statements ending December 31, 2016, and Mr. Arcara seconded the motion. The motion passed without any objections.</p> <p><b>c. Approval of FY 2017–2018 Budget</b></p> <p>Mr. Zovistoski thanked Mr. Lauchert and congratulated him for his work on the FY 2017–2018 Budget.</p> <p>Mr. Lauchert directed the Committee’s attention to the Finance Committee’s budget memorandum. He then explained the budget process and recapped the Finance Committee’s meeting. The Finance Committee recommended an increase in member dues, three new staff positions, an increase in staff compensation, and an increase in expenditures for IT and staff healthcare premiums.</p> <p>Mr. Zovistoski recommended the approval of the budget by the Executive Committee and that it be forwarded to the Board of Directors. A discussion followed, with the decision to table any action until after the lunch break, to allow for further review.</p> <p>Mr. Zovistoski revisited the FY 2017–2018 Budget after the break. After further discussion, the motion to accept the FY 2017–2018 Budget passed. The motion was made by Ms. Giovinazzo-Barnickel and seconded by Mr. Arcara. Mr. Shillingsford and Ms. Barossi abstained. The budget will be forwarded to the Board of Directors for final approval.</p> <p><b>d. Membership Report</b></p> <p>Ms. Barry reported that there are 347 new applicants for membership, compared to 297 during the same period last year. She noted that upon approval, the 347 new applicants would bring the total membership to 25,912.</p> <p>Ms. Giovinazzo-Barnickel made a motion to approve the Membership Report, and Mr. Altman seconded the motion. The motion passed without any objections.</p> <p><b>e. Revision of Bylaws</b></p> <p>Mr. Zovistoski thanked Mr. Ruppel for joining the meeting and for his</p>

service as Chair of the Governance Committee.

Mr. Ruppel reviewed each of the Bylaws revisions that were recommended by the Governance Committee.

After further discussion, Mr. Chan moved to approve the changes to the Bylaws, and Mr. Lauchert seconded the motion. The motion passed without any objections.

**f. Future of Peer Review Administration–AICPA Revised Proposal**

Ms. Barry provided an overview of the ongoing discussions by the Board of Directors and Executive Committee regarding the Society’s role in peer review administration.

Mr. Markezin informed the Committee of the different options the Society could take, based on the most recent AICPA proposal that was issued in January 2017. He then shared his recommendations and whether or not the Society would be able to meet the proposed AICPA benchmarks. A lengthy discussion followed.

Ms. Barry and Mr. Markezin explained that if the Society decides to no longer participate in peer review administration, it would take the Society approximately two years to wind down operations. They provided the Committee with the pros and cons for continuing and discontinuing as a peer review program administrator, including the financial implications. A discussion followed.

A motion was made to approve the transition to exit from acting as a peer review program administrator by Mr. Altman. Mr. Arcara seconded the motion. The motion passed without any objections.

**g. Formation of Moynihan Fund 501(c)(3)**

Ms. Thelmo provided a brief overview of the formation of the Moynihan Scholarship Fund, Inc., as a 501(c)(3), including key governance issues, such as the composition of its board. She explained that the initial incorporators will be the current Society President, its Immediate Past President, and the Executive Director. Then, the President would nominate the remaining board members, who would have staggered terms; thereafter, the Selections Subcommittee could provide qualified candidates.

Ms. Thelmo stated that Bylaws are a fluid document and recommended that the Moynihan board revisit and review them after the first year of establishment.

A discussion followed, wherein Mr. Zovistoski stated that a Scholarship Committee and a Fundraising Committee should also be established after the first year; Mr. Lauchert added that an Investment Committee was also essential.

During the discussion, Mr. Arcara requested that Ms. Thelmo investigate

	<p>and recommend whether the Moynihan Scholarship Fund should be incorporated in Delaware vs. New York.</p> <p>A motion was made by Ms. Giovinazzo-Barnickel to approve and recommend to the Board of Directors the formation of the Moynihan Scholarship Fund as a 501(c)(3), subject to counsel’s recommendation on which jurisdiction to incorporate in. Mr. Altman seconded the motion. The motion passed without any objections.</p> <p><b>h. Revamp of Member Relations Committee</b></p> <p>Mr. Zovistoski briefly shared the history of the Member Relations Committee, which was previously known as the Member Benefits Committee. He explained that at present, there is no longer a need for this committee, and, should new benefits need review, Society staff would bring those matters to the Executive Committee. He stated, however, that there is a need to bring back the Professional Liability Insurance Committee that had been previously merged into the Member Relations Committee.</p> <p>A motion was made by Ms. Giovinazzo-Barnickel to approve the Professional Liability Committee, with Brian A. Caswell as its Chair, and Mr. Altman seconded the motion. The motion passed without any objections.</p>
<p><b>EC16— I— 2</b> <b>Officer Reports</b></p>	<p><b>a. President’s Report</b></p> <p>Mr. Zovistoski gave the floor to Mr. Lauchert in order to update the Executive Committee members on the recent Call for Nominations. Mr. Lauchert announced that the FAE Board of Trustees’ nomination deadline was February 13, 2017. He reported that the names were submitted to the Selections Subcommittee. Mr. Deiters confirmed that there were 18 submissions.</p> <p>Mr. Lauchert reminded the Executive Committee members that March 1 is the deadline for additional nominations. Mr. Zovistoski suggested posting this on Exchange as an additional means to inform the members.</p> <p><b>i) Awards Committee Report</b></p> <p>Mr. Zovistoski stated that the Awards Committee this year was chaired by Mr. Joseph M. Falbo, Jr., Immediate Past President. He reported that the following members were selected as award recipients:</p> <ul style="list-style-type: none"> <li>• John J. Kearney - NYSSCPA Distinguished Service Award</li> <li>• Denise M. Stefano - Dr. Emanuel Saxe Outstanding CPA in Education Award</li> <li>• Edward J. Torres - Outstanding CPA in Government Award.</li> </ul>
<p><b>EC16— I— 3</b></p>	<p><b>a. Chapters Update</b></p>

<p><b>Professional Excellence and Integrity</b></p>	<p>Ms. Barossi and Mr. Altman provided an update on the monthly Chapter Presidents calls. Ms. Barossi stated that Society signage should be provided to firms to solicit more members, particularly younger NextGen members. Mr. Altman stated that, overall, there was good attendance and a valuable exchange of information during the monthly Chapter Presidents conference calls.</p> <p><b>b. Committees</b></p> <p>Mr. Deiters presented the committees update report on behalf of Mr. Shillingsford. He informed the members that committee applications were increasing and that the goal of recruiting younger members was being met.</p>
<p><b>EC16—I— 4 Advocacy</b></p>	<p><b>a. Society Comments</b></p> <p>Mr. Chan reported that 22 comment letters had been issued since the last meeting. He shared that of the 22 comment letters issued, 16 were to FASB, two to the AICPA, and one to each of the following organizations: the SEC, the PCAOB, the IRS, and the NYS Department of Financial Services. Mr. Chan thanked Mr. Markezin for his assistance with the comment letters.</p> <p><b>b. Legislative and Regulatory Updates</b></p> <p>Ms. Thelmo provided the Committee with an update on events that received support from the Society’s Political Action Committee.</p> <p>She then reported on the Legislative Breakfasts that were held in December for the Manhattan/Bronx, Rochester, and Syracuse chapters. She added that the breakfasts will resume after the tax season is over.</p> <p>Ms. Thelmo reported that legislative agenda items—Mandatory Quality Review for Sole Proprietorship Firms and Firms with Two or Fewer Accounting Professionals, and Mandatory Continuing Professional Education for CPAs—were under way.</p> <p>She announced that there would be an inaugural Lobby Day to be held in early spring, and that the Governance Forum is scheduled for September 17–19, 2017, at the Inn at Fox Hollow in Woodbury, New York.</p> <p>She updated the Committee on Regulation 29.10 and Section 70, noting that both are under legal review.</p>
<p><b>EC16— I— 5 The Next Generation</b></p>	<p><b>a. Membership Activities Update</b></p> <p>Ms. Axisa provided an update on recent membership events and recruitment activities. Highlights included the Women’s Initiative event, the Cupcakes and Wine event, and testimonial videos of non-CPA members.</p>

	<p>Ms. Barry provided a brief report on COAP activities. She announced that for the 2017 COAP program, there would be a reduction in locations in order to ensure the quality of the program. The five locations for 2017 are Adelphi University, Pace University, Rochester Institute of Technology, SUNY Oswego, and Westchester Community College. A discussion followed.</p>
<p><b>EC16— I— 6</b> <b>Public Awareness</b></p>	<p><b>a. Media Relations Update</b></p> <p>Ms. Lutolf updated the Committee on the continued efforts to get chapters more involved with media outreach. Highlights included the recent partnering with an Elmira television station to feature Southern Tier chapter members in a weekly segment on financial matters.</p> <p>She announced that the 34<sup>th</sup> Excellence in Financial Journalism Awards luncheon is scheduled for June 8, 2017, at the Tribeca Grill.</p> <p><b>b. The David J. Moynihan Fund Gala Update</b></p> <p>Ms. Lutolf announced that this year’s gala will be held at The Lighthouse at Chelsea Piers on Wednesday, May 17, 2017.</p> <p>She reported that a “Save the Date” e-mail regarding the gala was sent to the membership. The evening’s entertainment will be provided by Mike DelGuidice &amp; Big Shot. This year’s NYSSCPA Lifetime Achievement Award honoree is Bert N. Mitchell, the founding president of the COAP program.</p> <p>Ms. Lutolf encouraged the Committee members and their firms to become gala sponsors. She also requested Committee members to share their contact lists of potential donors with CJ Orr, the gala fund-raiser consultant.</p> <p><b>c. Get Money Smart Financial Literacy Program Update</b></p> <p>Ms. Lutolf provided an update on the Society’s Get Money Smart Financial Literacy Program. In November, the Communications Department launched its annual radio brand awareness campaign, which aired for nine weeks on two NFL radio networks in New York State. The 30-second spots highlight the Society and the role of the CPA, and direct listeners to the Society’s website for information. In addition to the radio ads, the partnership includes two luxury box suite tickets to a January 1 Jets vs. Buffalo Bills game, which were used as a fund-raiser at the Society’s Open House event. The drawing was recorded live on social media platform Periscope, and raised approximately \$2,000 for The Moynihan Fund.</p> <p>In addition to the radio campaign, the department recently met with the executive team at the Wise Institute at the High School of Economics and Finance in order to establish a deeper partnership with the organization.</p>

	<p><b>d. <i>NextGen</i> Magazine Update</b></p> <p>Ms. Lutolf announced the relaunch of <i>NextGen</i> magazine with a special issue focused on the new CPA Exam. She reported that the tentative publication date for this special edition is April 1, 2017, and that the magazine would resume its quarterly publication schedule.</p>
<p><b>EC16— I— 7</b> <b>Executive Session</b></p>	<p>NONE</p>
<p><b>ADJOURNMENT</b></p>	<p>Ms. Giovinazzo-Barnickel made a motion to adjourn, and Mr. Altman seconded the motion. The motion passed without any objections. The meeting adjourned at 1:29 p.m.</p>

Respectfully submitted,

John J. Lauchert  
Secretary/Treasurer