

Minutes of:	The New York State Society of Certified Public Accountants Executive Committee Meeting
Date & Time:	Tuesday, August 1, 2017, 8:33 a.m. to 1:38 p.m.
Location:	NYSSCPA Offices, 14 Wall Street, 19 th Floor, New York, NY
Presiding Officer:	Harold L. Deiters III, <i>President</i>
Executive Committee Members Present:	Jan C. Herringer, <i>President-elect</i> Anthony T. Abboud, <i>Secretary/Treasurer</i> Paul E. Becht John B. Huttlinger, Jr. Barbara A. Marino Mitchell J. Mertz Candice Meth Iralma Pozo Joanne S. Barry, <i>Executive Director (Ex officio)</i>
Executive Committee Members Participating via Conference Call:	Thomas S. Pirro
Executive Committee Members Absent:	Edward L. Arcara Michael M. Todres
Staff Present:	Brian Boisier Christopher Camacho Colleen Lutolf Ernest Markezin Patrick Payano Joanne Thelmo
Guests Participating Via Conference Call:	Scott M. Adair, <i>Past President</i> Joseph M. Falbo, Jr., <i>Past President</i>
Guests Present	Alan E. Weiner, <i>Past President</i>

MINUTES

EC17 — L — 0 Call to Order	<p>Mr. Deiters called the meeting to order at 8:33 a.m. He greeted everyone and asked the attendees to introduce themselves.</p>
EC17 — L — 1 Action Items	<p>a. Approval of May 17, 2017, Executive Committee Meeting Minutes</p> <p>Mr. Mertz made a motion to approve the meeting minutes of May 17, 2017, and Ms. Marino seconded the motion. The motion passed without any objections.</p> <p>b. Approval of June 27, 2017, Special Executive Committee Meeting Minutes</p> <p>Mr. Mertz made a motion to approve the meeting minutes of June 27, 2017, and Mr. Pirro seconded the motion. The motion passed without any objections.</p> <p>c. Membership Report</p> <p>Ms. Barry noted that there were 298 new members, compared to 392 at the same time last year. She added that the total number of members would be 26,250 upon approval. She went over the Membership Report and discussed the rate of resignations from the Society, explaining that much of this was due to Life Members now being charged. Overall, there was a net gain of 14 members because of the new membership category, and she indicated that the Membership Department was in the process of being restructured.</p> <p>A discussion followed.</p> <p>Ms. Meth made a motion to accept the Membership Report. Mr. Abboud seconded the motion. The motion passed without any objections.</p> <p>d. CPA Careers Committee</p> <p>Mr. Deiters announced the draft of a committee action plan that would rekindle the CPA Careers Committee. He expressed a need to reach out to accounting majors and high school seniors. Denise M. Stefano would serve as committee chair, and Ms. Marino would serve as vice chair. Mr. Huttlinger also expressed an interest in</p>

	<p>serving on the committee.</p> <p>A discussion followed.</p> <p>Mr. Mertz recommended that the committee also reach out to students who are immigrating to the United States.</p> <p>Ms. Marino made a motion to reactivate the CPA Careers Committee. Mr. Mertz seconded the motion for approval. The motion passed without any objections.</p> <p>e. Hall of Fame</p> <p>Society Past Presidents Scott M. Adair and Joseph M. Falbo, Jr., joined the meeting via conference call to provide insight into the history of the Society’s Hall of Fame (HOF) and on the perspectives shared over the years.</p> <p>A discussion followed.</p> <p>Past President Alan E. Weiner delivered a presentation to the Committee, explaining why the HOF was created and why it should be reinstated.</p> <p>A motion was made to vote on whether the Hall of Fame should be reinstated; the Committee unanimously rejected the reinstatement. Mr. Deiters asked Ms. Herringer to reach out to Mr. Weiner to inform him of the decision.</p>
<p>EC17 — L — 2 Officer Reports</p>	<p>a. President’s Report</p> <p>i) Role of the Executive Committee</p> <p>Mr. Deiters explained the purpose of the Committee, which meets during the interim periods between the Board of Directors meetings. He expressed the importance of the Committee being united after discussion and debate, and advocating the agreed-upon positions.</p> <p>ii) Audit Update</p> <p>Mr. Payano informed the Committee that the audit is going as planned.</p>

iii) Joint NYSSCPA-ACA Event—Breakfast with New York City Comptroller Scott M. Stringer

The event on July 19 was attended by members of the Society, as well as those of the Accountants Club of America (ACA). Mr. Deiters remarked that it was great to partner with the ACA and that events such as these were important in order for the Society to be seen as a voice of the profession.

b. Chapters Update

i. Chapter Meetings/Chapter Calls

Mr. Becht and Mr. Huttlinger felt encouraged by the Chapter meetings and thought they went well. Both Mr. Becht and Mr. Huttlinger said they would like to see more participation on Chapter President calls and solicited feedback from the Committee on how this could be achieved.

ii. Transfer of Chapter Treasurer’s Responsibilities

Mr. Payano stated that he has been offering to assume the treasurer/treasury functions for the Chapters. Of the eight Chapters that have signed up, five have started the program. Mr. Payano hopes to obtain Chapter testimonials as an enticement to increase Chapter participation in transferring their treasurer responsibilities.

c. Society Comments

Mr. Mertz reported that, to date, the Society had issued three comment letters, including one regarding whether behavioral or professional ethics will be required for CPE. In addition, he noted that the PCAOB has proposed a new report format that exposes critical audit matters. Ms. Herringer added that the SEC has to decide whether or not to approve this.

d. Committees Update

Ms. Meth reported to the Committee that there were 42 committee meetings and 88 new committee applicants. Of the 88 new applicants, 30 were in the 31–40 age group, and 18 were in the 21- to 30-year-old group. Ms. Meth also suggested that there be a slide at the beginning or end of each on-demand CPE video indicating the committee that sponsored the content. She felt this would be a great opportunity for each committee to advertise what it focuses on and raise awareness among Society members.

	<p>e. Governance Forum Update</p> <p>Ms. Thelmo announced that this year’s Governance Forum would be held from September 17–19 at the Inn at Fox Hollow. To date, 24 people have registered, and more invitations were being sent out. She also announced that State Senator John J. Flanagan would be the Guest Speaker at the Monday (September 18) evening dinner.</p> <p>Mr. Deiters invited the Committee to attend the Chapter Presidents Dinner, being held Sunday, September 17.</p> <p>f. Nominating Process Update</p> <p>The NYSSCPA website has been updated to reflect those members who are ineligible to serve because they have served on the last two Nominating Committees. A call for petitions has been placed in <i>The Trusted Professional</i>, and e-mails have gone out. As of today, August 1, the petition has been downloaded six times. Petitions must be submitted by August 11 at 3:00 p.m.</p>
<p>EC17 — L — 3</p> <p>Core Values and Goals</p>	<p>a. Update on Peer Review Administration</p> <p>The NYSSCPA will no longer be the Administering Entity for the AICPA peer review program. No new reviews will be administered by the NYSSCPA as of January 1, 2018, when the Pennsylvania Institute of Certified Public Accountants (PICPA) will begin to take over. Mr. Markezin reported that the Society looks to be fully removed from peer review administration by October 2018. Currently, PICPA has been observing our peer review meetings and processes, and we have been observing theirs. He added that the Society has 12 member volunteers who have agreed to serve on PICPA review acceptance bodies.</p> <p>b. State Board Update</p> <p>Ms. Thelmo reported that the July 26 state board meeting touched upon many different topics, including a proposal that will go before the New York State Board of Regents in the fall that would amend state regulation 70.10.b.6 to remove the requirement that a sponsoring organization of the state’s quality review program must be located in New York State. Several other regulations remain pending and are unlikely to be finalized this year.</p>

<p>EC17 — L — 4 Advocacy</p>	<p>a. Legislative and Regulatory Updates</p> <p>Ms. Thelmo announced that our bill to remove the exemption from mandatory quality review for sole proprietorship firms and firms with two or fewer accounting professionals has passed both the State Senate and Assembly, and is awaiting the Governor’s signature. She also reported that the Society has drafted a letter that will be delivered to the Governor, protesting Executive Order 162, which requires state contractors and their subcontractors to submit the job title and salary for each employee working on a contract, in addition to the equal employment opportunity information (such as sex, race, and ethnicity) already required, on the grounds that the Executive Order would create significant and unworkable compliance obligations.</p> <p>On regulatory matters, the Society will next work on the flexibility of CPAs to voluntarily surrender their license, the elimination of the three-year exemption for new CPAs to take their required CPE courses, and estate tax reform.</p> <p>Ms. Barry announced that the Board of Directors will be asked to approve the legislative agenda in December.</p>
<p>EC17 — L — 5 NextGen</p>	<p>a. Chapter Town Hall Schedule and Format</p> <p>Ms. Barry announced a new format for the Chapter Town Hall, designed to provide more value for those who attend. There will be a professional issues update and an opportunity to receive CPE credit. The newly formatted Town Hall will begin at the end of September.</p> <p>b. COAP Update</p> <p>Ms. Barry reminded the Executive Committee members that the number of COAP locations has been reduced to five in order to ensure quality. An evaluation of the recent programs is now being conducted.</p> <p>c. Update on the David J. Moynihan Fund 501(c)(3)</p> <p>Ms. Thelmo announced that the Moynihan Fund was incorporated in New York State on July 5. The officers of incorporation are Joanne S. Barry; Joseph M. Falbo, Jr.; and F. Michael Zovistoski.</p> <p>She also reported that the first meeting of the Moynihan Fund</p>

	<p>Board of Trustees was held on July 6. David A. Lifson and Margaret “Peggy” A. Wood were appointed to a one-year term each. J. Michael Kirkland and Scott M. Adair were appointed to a two-year term each, and Joseph M. Falbo, Jr., and F. Michael Zovistoski were each appointed to a three-year term. Anthony T. Abboud, the Society treasurer, will also serve as treasurer and trustee for the Moynihan Fund.</p> <p>Ms. Thelmo said that the Fund would have its own corporate bank account and separate investment account. She also added that the Fund will now be filing to receive its Employer Identification Number (EIN).</p> <p>d. CGMA Update</p> <p>Ms. Barry informed the Committee that the AICPA is working with state societies on a 50-50 partnership model to enlist them as sales agents to market the Certified Global Management Accountants (CGMA) exam to non-CPAs. She told the Committee that this contract will come before them and that it is her recommendation not to sign on at this time, citing a poor return on investment for the Society, a lack of strong marketplace data, and an unproven demand by employers for the designation.</p> <p>Ms. Herringer said the Ad Hoc Committee would be drafting a comment letter regarding the use of the CGMA designation.</p> <p>e. Membership Dues Analysis</p> <p>Ms. Barry informed the Committee that the numbers being presented to them were as of July 14. The Society has collected 76.4% of its billing, which is ahead of last year and the year before. She also informed the Committee that the retention rate usually reached the 95% level.</p> <p>Mr. Becht said that industry members and sole practitioners were the most vocal opponents of the dues increase. Ms. Barry will provide a value proposition to the members of the Committee.</p>
<p>EC17 — L— 6 Public Awareness</p>	<p>a. The David J. Moynihan Fund Gala Update</p> <p>Ms. Lutolf provided a fund-raising update. The Moynihan Fund Trustees will determine what the event will look like next year. Ms.</p>

Lutolf thanked everyone for their time and effort.

b. Communications Update

Ms. Lutolf shared with the Committee that there is currently a sweepstakes for tickets for two separate Yankees vs. Red Sox baseball games, one on August 13 and one on September 1. The Society also sponsored a City & State panel discussion entitled, “State of New York Women,” which brought the Society some visibility, with Assemblywoman Deborah J. Glick, the chair of the Assembly’s Higher Education Committee. Diversity and Inclusion Committee Chair Rumbi N. Bwerinofa-Petrozzello participated in a panel discussion at the event. Sponsorship included two full-page ads in the program, one which advertised the Society’s Women’s Initiative, a program of the D&I Committee, the other the COAP program. Ms. Bwerinofa-Petrozzello and several D&I Committee members also attended a second City & State event, “On Diversity,” where they were introduced to State Senator James Sanders, Jr., chair of the Senate’s new Minority and Women-Owned Business Enterprises (MWBE) Task Force.

Ms. Lutolf also mentioned a September 25 PCAOB event, “The Expanded Auditor’s Report: A Dialogue,” which will be broadcast on Facebook Live and will feature Ms. Herring as a panelist.

c. Member Responses to Exchange Issues

Ms. Barry shared that Exchange has been very popular with members, and asked that the Committee be more involved as responders on Exchange. Mr. Becht agreed to participate.

d. CPA Journal Website Update

Mr. Boisier, the Society’s Digital Marketing & E-Commerce Manager, discussed improvements and shared some key metrics. The website is averaging 10,000 page views per month and had a total of 93,000 in July, up from 61,000 in June. He explained that content was now being staggered, as opposed to being released just once a month, in an effort to generate more incentive to visit the website. He also said that *The CPA Journal* now appears on Google News.

	<p>As for our readership, Mr. Boisier reported that 47% of our readership is outside the United States, 79% of U.S. readership is outside New York, and 46% of total readership is between the ages of 18–34.</p> <p>For the month of May, through all digital platforms, the website has received 453,000 page views. The goal is to get to 500,000 per month before starting with paid advertising. The longer-term goal for <i>The CPA Journal</i> is to have a significant national distribution reputation.</p>
EC17 — J — 7 Considerations for New Fiscal Year	An open discussion was held.
EC17 — J — 8 Executive Session	No Executive Session was held.
ADJOURNMENT	A motion to adjourn was made by Mr. Becht, and Mr. Mertz seconded the motion. The motion passed without any objections. The meeting adjourned at 1:38 p.m.

Respectfully submitted,

Anthony T. Abboud
Secretary/Treasurer

Approved at the November 1, 2017 Executive Committee Meeting
Item #EC17-M-1a