

Minutes of:	The New York State Society of Certified Public Accountants Executive Committee Meeting	
Date & Time:	Wednesday, August 10, 2016, 9 a.m. to 4:22 p.m.	
Location:	14 Wall Street, New York, NY, Conference Room #1	
Presiding Officer:	F. Michael Zovistoski, <i>President</i>	
NYSSCPA Board Members	Harold L. Deiters III, <i>President-Elect</i> Gregory J. Altman, <i>Vice President</i> Anthony S. Chan, <i>Vice President</i> John S. Shillingsford, <i>Vice President</i>	Susan M. Barossi, <i>Vice President</i> Rosemarie A. Giovinazzo-Barnickel Jacqueline E. Miller Iralma Pozo Joanne S. Barry, <i>Executive Director/CEO</i>
NYSSCPA Board Members Absent:	Edward L. Arcara John J. Lauchert	
Staff Present:	Lisa Axisa Jalissa Brown Colleen Lutolf Ernest Markezin	Patrick Payano Alonza Robertson Joanne Thelmo

MINUTES

EC16 – G – 0	<p>a. Call to Order</p> <p>President F. Michael Zovistoski, Jr. established that a quorum was present and called the meeting to order at 9:00 a.m. Introductions were made and he suggested everyone wear the NYSSCPA pins, as a reminder that they represent the entire membership. He briefly explained the role of the Executive Committee and noted it is a governing body, with</p>
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	<p>the focus being to set policy and direction. He noted Ms. Barry's role is to manage the staff. Mr. Zovistoski encouraged members to be appreciative of staff and he commented on the low staff to member ratio.</p>
<p>EC16 – G – 1 Actions Items</p>	<p>a. Minutes of May 19, 2016, Executive Committee Meeting</p> <p>Mr. Zovistoski stated that the May 19, 2016 minutes were provided to the Committee for informational purposes only and approval of these minutes would be deferred to the next Executive Committee meeting, due to Mr. Lauchert not being present.</p> <p>b. Approval of June 16, 2016, Executive Committee Meeting</p> <p>Mr. Zovistoski asked if there were any comments or changes to the June 16 minutes. Ms. Giovinazzo-Barnickel noted that her name was misspelled. No further comments were received. A motion made by Ms. Giovinazzo-Barnickel to approve the minutes with noted correction was seconded by Mr. Chan. The motion passed unanimously.</p> <p>c. Membership Report</p> <p>Ms. Barry presented the Membership Report and asked for the approval of 392 new applicants for membership to bring the Society's membership total to 26,571 members. She noted last year's new applicants totaled 202 during the same period. She explained that potential members are now required to pay dues upfront to mitigate terminations for non-payment at the end of the calendar year. This has an impact now on the number of new members but should reduce terminations later.</p> <p>Ms. Barry acknowledged that 27 of the new members to be approved were non-CPAs.</p> <p>Mr. Chan inquired about the efforts made for increased membership from students. Ms. Barry responded by saying this is a vital recruitment initiative. She went on to say that as an example, a new program has been started with</p>

Hofstra University, to sponsor an on campus NYSSCPA club. This program will be used as a model for more university programs across the state.

Ms. Barry mentioned briefly the initiatives for our Next Gen Program and working with firms to bring in membership.

Ms. Barry explained that the Society has made an investment in technology and data analytics, which is vital to track the progression of students becoming CPAs. A lively discussion followed.

After further discussion, Mr. Altman moved to approve the membership report, and Ms. Giovinazzo-Barnickel seconded the motion. The motion passed without objection.

d. Approval of Joanne Thelmo as NYSSCPA Bank Signatory

Mr. Chan moved to approve Joanne Thelmo as NYSSCPA Bank Signatory and Mr. Shillingsford seconded the motion. The motion passed without objection.

e Establishment of The David J. Moynihan Fund 501(c)(3)

Mr. Chan moved to approve the establishment of The David J. Moynihan Fund as a 501(c)(3) and Mr. Shillingsford seconded. Motion passed unanimously.

f. Transfer from NYSSCPA Operating Cash to Investment Account

i.) Transfer of Funds

A motion was made to transfer \$250k from the operating account to the investment account by Ms. Giovinazzo-Barnickel and seconded by Ms. Miller. The motion passed without any objections.

ii.) Investment Advisor

Mr. Payano provided an update with respect to the request for proposal (RFP) process related to the investment

	<p>advisors. The Investment Committee, which is a sub-committee of the Finance Committee will create and issue the RFP.</p> <p>Mr. Zovistoski explained the Investment Committee will review the responses and then select investment advisors for in-person interviews and make its recommendation to the Finance Committee. The Finance Committee will make its recommendation at a future meeting.</p>
<p>EC – G – 2 Officer Reports</p>	<p>a. President’s Report</p> <p>Mr. Zovistoski introduced the Governance Committee. He stated that the committee’s purpose is to develop and recommend to the board any policy, structure, process and/or bylaw revision to provide for effective and efficient governance. As such, he stated that the Governance Committee’s initial responsibilities would be (1) to consider whether or not a separate entity for the Moynihan Fund is needed; (2) evaluate the size of the Board of Directors; (3) review the Nominating Committee process and (4) review the bylaw revision requested the Professional Ethics Committee.</p> <p>Mr. Zovistoski updated the Executive Committee on the recent Next Gen Conference that was held on July 25th. Feedback was positive from those who attended. Ms. Barossi shared that her staff spoke positively about the conference as well. Ms. Barry announced that in 2012 only 44 people attended and in contrast this year there were 156 people in attendance including those in the satellite locations. Also she shared that participants rated the conference overall at 4.37 out of 5.</p> <p>b. Chapters Update</p> <p>Mr. Altman and Ms. Barossi briefly shared their experiences visiting each chapter in the state. Since the chapter visits, they have had two conference calls. Mr. Altman expressed how open and welcoming the chapters were during the visits. He also noted that things were going well on the chapter level.</p>

Ms. Barossi expressed the importance of having younger members more involved. She stated one way to do so is to have chapters include Next Gen meetings and educate the chapter members of Next Gen activities. Ms. Barossi expressed the need for younger members on the Board as well. Ms. Barry stated that she gets many questions from firms about how to recruit and engage younger CPAs. Mr. Chan asked the Executive Committee what the committee would like the chapters to focus on this year; Mr. Zovistoski said fiscal responsibility and Next Gen. A lively discussion followed.

Mr. Zovistoski thanked Mr. Altman and Ms. Barossi for their time and efforts they have shown while meeting each chapter throughout the state.

c. Society Comments

Mr. Chan thanked the Committee and Mr. Markezin for assisting in the process of putting together ten comment letters to date. Mr. Chan noted the quality and the number of comment letters were testament to the professionalism and thought leadership of the society. Six letters were sent to the FASB, two to the AICPA and one each to the SEC and the PCAOB.

Mr. Altman moved to designate that Mr. Zovistoski and Mr. Chan to have the authority to review, revise and approve comment letters. Ms. Giovinazzo-Barnickel seconded the motion. The motion passed unanimously.

d. Committees Update

Mr. Shillingsford briefly recapped the Committee Chair orientation session and his participation. He shared highlights from the Accounting and Auditing Oversight Committee conference call, which focused on a hotline for Employee Benefits, joint committee functions, and mentoring. He also presented the new committee

	<p>application data.</p> <p>e. Nominating Process</p> <p>Mr. Zovistoski stated Friday, August 12th by 5 p.m. was the deadline to submit petitions. He briefly explained the nominating process, noting that the Nomination Committee is comprised of 11 members, 2 of which are appointed by the Board.</p> <p>f. Audit Update</p> <p>Mr. Zovistoski provided the audit update and noted that the auditing process is going smoothly and it is on schedule. Ms. Thelmo thanked everyone for turning in Conflict of Interest forms.</p>
<p>EC16 – G – 3 Professional Excellence and Integrity</p>	<p>a. AICPA Proposal for the Future of Peer Review Administration</p> <p>Ms. Barry and Mr. Markezin made a presentation on the AICPA’s proposal for peer review administration of the future and impact on the society. A lively discussion followed.</p> <p>b. State Board Meeting Update</p> <p>Ms. Thelmo briefly explained Regulation 29.10 and Regulation 70 and asked the Committee comments Society will provide in response.</p>
<p>EC16–G – 4 Advocacy</p>	<p>a. Legislative and Regulatory Updates</p> <p>Mr. Robertson briefly discussed Legislative Regulatory updates, which included the following initiatives: non-CPA ownership, medical marijuana-related business guidance for CPAs addressing the federal & state law dichotomy, flexibility for NY State CPAs to voluntarily surrender their license and become inactive, state tax reform, retired CPAs serving on board of directors, mandatory Quality Review for</p>

	<p>sole proprietorship firms and firms with two or fewer accounting professionals, mandatory continuing education for newly licensed CPAs, and Financial Literacy as it relates to high school curriculums.</p> <p>b. Annual Legislative Agenda Issues</p> <p>Ms. Barry explained that at the beginning of each fiscal year, the staff develops an annual draft legislative agenda in conjunction with members that is then approved by the Board as the roadmap for the new legislative session.</p> <p>Mr. Robertson shared the proposed Annual Legislative Agenda items. He also explained Voter Voice, reactivating the NYSSCPA Breakfast Briefing Series and CPA PAC. Mr. Zovistoski noted that an additional item in the future regarding New York State’s statutory fair value definition might be added to the legislative agenda.</p> <p>A lively discussion followed.</p> <p>Mr. Chan moved to recommend the draft Legislative Agenda Issues to the Board for its consideration, and Ms. Barossi seconded. The motioned passed without objection.</p>
<p>EC16–G – 5</p> <p>The Next Generation</p>	<p>a. Chapter Town Hall Schedule and Format</p> <p>Ms. Axisa briefly discussed the Chapter Town Hall schedule and locations.</p> <p>b. COAP Update</p> <p>Ms. Axisa gave a report on the eight COAP programs. She discussed efforts of improving the program to increase participation. Mr. Zovistoski shared his experience while visiting the COAP Albany program and shared the feedback the students gave him and the importance of encouraging diversity within the profession. A lively discussion followed.</p> <p>c. The David J. Moynihan Fund Gala Update</p> <p>Ms. Lutolf briefly spoke about The David J. Moynihan Fund Gala that was held on May 19, 2016 at Chelsea Piers. She explained the fundraising efforts and announced that planning will soon start for next year’s gala.</p>

	<p style="text-align: center;">d. Chapter Ethics Programming</p> <p>Ms. Barry spoke about the challenge of continuing to provide free ethics CPE to the chapters while maintaining high quality standards. Ms. Axisa spoke about the need to hire professional speakers as a way to ensure quality. This will be a topic of discussion with the chapters at the Governance Forum.</p>
<p>EC16-G – 6 Public Awareness</p>	<p>a. Governance Forum Update</p> <p>Mr. Robertson updated the Committee on upcoming Governance Forum, scheduled for September 21-23, and the new efforts being made to garner member interest in the CPA PAC.</p> <p>b. Media Update</p> <p>Ms. Lutolf provided an update on media relations. She spoke about the listing of new media placements announcing new officers and board members.</p> <p>Ms. Barry briefly explained her relationship with AICPA and her participation in the “50/50 Partnership” for the CGMA. She also discussed the Society’s commitment to the AICPA Doctoral Scholarship Program in 2008, wherein the Society donated \$50k for scholarship efforts that provided assistance to Accounting PhD students. She explained the benefits of this program and its importance. She further explained that there was a refund of \$4,529 due back to the Society and asked the Executive Committee to provide direction on whether to have the money refunded or allow AICPA to use these funds for a similar program. Mr. Zovistoski called the Executive Committee to vote on how the refund should be used by showing hands. A majority of the Executive Committee voted to have the funds remain with AICPA and credited to another similar program.</p>
<p>EC16-G – 7 Executive Session</p>	<p>Mr. Zovistoski asked for an Executive Session at 10:33 a.m. Mr. Altman made a motion and Ms. Giovinazzo-Barnickel seconded the motion. Mr. Chan moved to adjourn Executive Session at 11:43 a.m. and Mr. Shillingsford seconded that motion. A motion was made to enter back</p>

	into Executive Session at 12:02 p.m. Ms. Giovinazzo-Barnickel made a motion to end Executive Session at 2:04 p.m. and Mr. Altman seconded the motion.
ADJOURNMENT	Ms. Giovinazzo-Barnickel moved to adjourn the meeting at 4:22 p.m. and Mr. Chan seconded the motion. There being no objection, the meeting was adjourned.

Respectfully Submitted,