

**Minutes of:** The New York State Society of Certified Public Accountants  
Executive Committee Meeting

**Date & Time:** Tuesday, August 4, 2015, 9:03 a.m. to 2:10 p.m.

**Location:** NYSSCPA Offices, 14 Wall Street, 19<sup>th</sup> Floor, New York, New York

**Presiding Officer:** Joseph M. Falbo, Jr., *President*

**Executive Committee Members Present:** F. Michael Zovistoski *President-elect* John J. Lauchert, *Secretary/Treasurer*  
Christopher G. Cahill Tracy D. Tarsio  
Jennifer R. George Michael M. Todres  
Jan C. Herringer Joanne S. Barry, *Executive Director*

**Executive Committee Members Absent:** Stephen T. Surace

**Staff Present:** Polina Brandis Ernest Markezin  
Robert Busweiler Patrick Payano  
Colleen Lutolf Bradley Pryba

## MINUTES

EC15 — C — 0  
**Call to Order**

President Joseph M. Falbo, Jr., noted that a quorum was present and called the meeting to order at 9:03 a.m.

EC15 — C — 1  
**Action Items**

**a. Approval of Minutes of May 14, 2015, Executive Committee Meeting**

Mr. Zovistoski moved to approve the May 14, 2015, minutes, and Mr. Falbo seconded the motion. The motion passed without objection.

**b. Membership Report**

The Executive Director requested approval for 202 new applicants, bringing the total membership up to 27,604.

After further discussion, Ms. George moved to accept the membership report. Mr. Todres seconded the motion. The motion passed without objection.

**c. Approval of Card Choice Contract**

Mr. Payano discussed the seamless transition from the current EPS processor to Card Choice. After some questions and further discussion, Mr. Todres moved to approve the contract. Mr. Zovistoski seconded the motion. Mr. Cahill abstained. The motion passed without objection.

**d. PEC Committee Action Plan**

Mr. Pryba explained the changes regarding the Society's role as an investigative body for the AICPA. Currently, New York State is an Option 2 state, meaning that the Society is a concurring body only, and no longer an investigative body. Mr. Pryba described the process of addressing complaints that come in to the Society. Mr. Falbo suggested changing the language of the Committee Action Plan to reflect that there will no longer be any investigation, only vetting. After further discussion, Ms. George moved to approve the Committee Action Plan, subject to the language change proposed by Mr. Falbo; Mr. Todres seconded the motion. The motion passed without objection.

**e. Memo Regarding Transfers of Chapter Funds**

Mr. Pryba provided background regarding the current practice of transferring funds from FAE to the Society Chapter accounts, whereby the Chapter conducted a CPE event. Mr. Payano explained the mechanics of the transfer in more detail. After further discussion, Mr. Falbo, moved to table this issue until the Board meeting in September.

**f. Schedule of EC Meetings**

Mr. Falbo presented the schedule of upcoming Executive Committee meetings and noted that the meetings would be predominantly held on Tuesdays. Ms. Tarsio moved to approve the schedule. Ms. Herringer seconded the motion. The motion passed without objection.

**a. Welcome**

Mr. Falbo welcomed new Executive Committee members and thanked everyone for attending. A special thank you was expressed to those who had to travel to attend. Condolences were expressed for Mr. Surace, who lost a family member and was unable to attend the meeting.

### **b. Chapters Update**

Mr. Cahill announced the major themes of discussion at the Chapter level, including ways to expand on quality networking opportunities, Chapter coordination, coordination at the Society level, CPE, and the COAP Program.

### **c. Society Comments**

Ms. George praised the high quality of the Society comment letters. As of July 31, 2015, six letters have been issued. Mr. Falbo noted that the comment letters were an understated member benefit. Mr. Falbo thanked Ms. George and Ms. Herringer for their time and effort spent on the letters.

### **d. Committees Update**

Mr. Todres announced that the committees have been active, with a total of 56 meetings. New applicant data reflected 54 new committee members, 25 of whom were under age 40. Of these, 28 were new to committees or new members altogether. Mr. Todres expressed that the key to continued membership is to get younger people involved with committees. Mr. Falbo concurred.

### **e. Nominating Process**

Mr. Lauchert announced that a call for petitions was included in the June and July issues of *The Trusted Professional*. He mentioned that the deadline for nomination was August 14, 2015. At this point in the meeting, two nominations had been received. Mr. Lauchert also discussed the possibility of allowing electronic signatures on nomination petitions to make it easier for members to submit their petitions by the deadline.

### **f. Audit Update**

Mr. Payano announced that the audit was moving along smoothly. There were no questions.

### **g. Joint Investment Committee**

Mr. Lauchert discussed the issue of forming a Joint Investment Fund for FAE and the Society, as they are currently separate. The Executive Committee members discussed the difference in the purposes of the Society and FAE and questioned whether the same group of people could look at different objectives to decide on the best respective investment strategies for each organization. After

further discussion, Mr. Falbo requested that Mr. Payano and Mr. Lauchert put together a proposal for discussion at a later date.

**EC15 — C — 3  
Professional  
Excellence and  
Integrity**

**a. FAE Update**

**i. Chapter Conference Development**

Ms. Barry discussed working with the chapters to facilitate conference development for the benefit of the entire membership. Meetings have been held to discuss the opportunities.

**ii. FAE Strategic Planning Meeting**

Ms. Barry announced that a strategic planning group is working on the creating the next steps for FAE. A number of positive meetings were held over the summer months. The focus of the discussions included ways to enhance FAE and Chapter alignment, increase the number of FAE users and redefine the pricing structures to deliver value to our members.

**EC15 — C — 4  
Advocacy**

**a. Legislation and Regulatory Updates**

Mr. Busweiler announced that there have been no major changes in the legislature. He noted that the bill regarding creating an exemption for CPAs in the Private Investigator registration regulations had passed both the Senate and Assembly and no objection thus far from the Governor's office. Mr. Busweiler also noted that the issue of internal audits in school districts has been kept at bay at this time. He announced that the Albany office had been opened.

**b. Draft of Annual Legislative Agenda**

Mr. Busweiler announced that there were four main positions on the Annual Legislative Agenda, three of which were positions the Society had already issued opinions on in the past. Ms. Barry noted that the Executive Committee can add any issues they would like to be addressed to the agenda. Ms. George stated that the issue of eliminating small firm exceptions might be a topic to consider. Mr. Busweiler briefly outlined the process of what happens when legislative issues are brought up through the Society committee structure, compared to when issues are raised in other states and brought to our attention through either the AICPA or other State Societies.

### **c. Legislative Task Force**

Mr. Pryba stated that nothing substantial is issued without the Board's approval. He explained that the Legislative Task Force vets all issues and that it has been found, through practice, that it is more streamlined to go straight to the Board. Discussion followed regarding keeping the goal of what is better for the profession and the Task Force acting at the pleasure of the Board. Ms. Barry noted that the Society had received a grant to expand lobbying efforts.

Further discussion followed regarding the Legislative Task Force.

### **a. Dues Restructuring Task Force**

Mr. Adair announced the members of the Dues Restructuring Task Force and briefly described the purpose of the Task Force as restructuring the cumbersome number of dues categories and addressing other issues such as inviting non-CPAs into the Society. Mr. Adair noted that a primary goal of the Task Force was to figure out ways to drive up membership numbers, as well as how presenting the value of being a member can assist in achieving this goal. Ms. Barry stated that an important part of the discussion is whether membership should better reflect the altering composition of CPA firms.

### **b. COAP Mission Statement**

Ms. Barry announced that the COAP program, which began at Pace University's Pleasantville campus with only 29 students, has now grown to 12–15 campuses with hundreds of graduates every year. Mr. Falbo noted that the program was created to promote representation of underrepresented minority groups in the accounting profession. A discussion followed about the composition of students in the programs.

### **c. David J. Moynihan Fund Update**

Ms. Lutolf briefly discussed the background of The Moynihan Fund. She announced that \$200,000 had been raised so far. Ms. Lutolf noted that she would like to get chapters involved with the Fund and suggested dedicating an ethics course to raise money, with a suggested donation to the Fund. The second phase is using the Syracuse Summer Sizzler as a pilot program. Ms. Lutolf also mentioned that the Society would be hiring a fund-raiser to work in the Membership Department. Mr. Falbo noted that the position is

included in the budget.

**d. Young Leadership Circle Strategic Plan**

Ms. Barry described the Young Leadership Circle as young CPAs handpicked by chapters and the leadership to become future leaders of the NYSSCPA.

EC15 — C — 6  
**Public Awareness**

**a. Governance Forum Update**

Ms. Barry announced that the schedule for the Governance Forum was included in the agenda, and noted that the purpose of the Forum was to bring together all leadership of the Society and FAE to engage in meetings and events. She made a note of the Regulation/Legislation and media training on the schedule of events. There were no questions.

**b. Peer Review Strategy**

Mr. Markezin announced that the current model for Peer Review administered by the Society for the AICPA is not working, and that currently, the Society is observing the development of the situation from a national level. Mr. Falbo noted that the model seems to be in contradiction with mobility.

EC15 — C — 7  
**Executive Session**

No executive session was held.

EC15 — C — 8  
**Adjournment**

Ms. George moved to adjourn the meeting, and Ms. Herringer seconded the motion. The meeting was adjourned at 2:10 p.m.

Respectfully submitted,

John J. Lauchert  
Secretary/Treasurer