

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

Date & Time: Thursday, August 8, 2013, 8:57 a.m. to 11:57 a.m.

Location: NYSSCPA Offices, 14 Wall Street, 19th Floor, New York, New York

Presiding Officer: J. Michael Kirkland, *President*

Executive Committee Members Present:

Scott M. Adair, <i>President-elect</i>	Gregory J. Altman
Ian J. Benjamin, <i>Vice President</i>	Anthony S. Chan
Adrian P. Fitzsimons, <i>Vice President</i>	Barbara L. Montour
Barbara A. Marino, <i>Vice President</i>	Richard Van Osten
Warren Ruppel, <i>Vice President</i>	Joanne S. Barry, <i>Executive Director</i>
F. Michael Zovistoski, <i>Secretary/Treasurer</i>	

Staff Present:

Amy Broderick	Ernest Markezin
Colleen Lutolf	Bradley Pryba

MINUTES

EC13 — J — 0
Call to Order

President J. Michael Kirkland noted that a quorum was present and called the meeting to order at 8:57 a.m. Mr. Kirkland thanked the Executive Committee members for attending and welcomed them to the Society's new location. He then asked everyone to introduce himself. Mr. Kirkland noted that the new location is wonderful and thanked Mr. Markezin, Ms. Barry, and Mr. Craig Mandelbaum, NYSSCPA Director of Internal Operations, for their hard work.

He then described his vision for the upcoming year. Mr. Kirkland explained that some of his goals included financial security, improving compensation and benefits for staff, and setting up task forces for best practices,

diversity, and the annual membership meeting. He added that government affairs are an important area of focus and noted that Mr. Pryba and Mr. Kevin McCoy had done an excellent job in that area.

Mr. Kirkland stated that he hoped for more interplay between the Society's committees and chapters, and that he hoped to see more young people getting involved with the Society. He added that the new facility would help the FAE to move forward, and noted that Ms. Barry and her staff had done a great job with the FAE.

Mr. Kirkland then explained that Ms. Barry had hired some great people, and that the Society needs to focus on protecting and enhancing the staff. He then added that he would need help to achieve his vision.

EC13 — J — 1

Minutes

Mr. Kirkland asked if Executive Committee members had any changes or comments to the minutes of the April 30, 2013, or May 16, 2013, Executive Committee meetings. After further discussion, Mr. Zovistoski moved to approve the April 30, 2013, and May 16, 2013, minutes, and Mr. Adair seconded the motion. The motion passed without objection.

EC13 — J — 2

President's Report

a. Governance Subcommittee Report

Mr. Pryba presented the Governance Subcommittee Report. He announced that two members to the Executive Committee, Messrs. Chan and Van Osten, are on the Governance Subcommittee, and that Mr. Eric Kramer is Chair of the subcommittee. Mr. Pryba explained that the subcommittee discussed four items: setting up guidelines, Board and Executive Committee structure, standards for financial development, and comprehensive review of the NYSSCPA bylaws.

He went on to say that the subcommittee spent a lot of time discussing board structure, and that the subcommittee looked at organizations similar to the Society to examine board structure and engagement.

b. September Governance Forum

Ms. Lutolf announced that the Governance Forum would be held on September 26 and 27, 2013, at the Desmond Hotel. She added that the PAC, FAE, and chapter presidents-elect would meet on Thursday, and that an open Society Board meeting would be held on

Friday. Ms. Barry added that the Board meeting will include a presentation of the audit.

Mr. Kirkland noted that the Society had moved away from the Leadership Conference held at the Turning Stone resort. He stated that some members have expressed the desire to have an annual event similar to the Leadership Conference, but added that there are financial challenges in holding such an event which were currently being examined.

c. Town Hall Schedule and Format

Mr. Kirkland stated that Ms. Lelia Dickenson, NYSSCPA Manager of Chapter Relations, had done a great job organizing the Town Hall visits. He noted that he was excited to visit each of the chapters.

d. COAP Program Update

Mr. Kirkland gave the Executive Committee members an overview of the student selection process for COAP. He explained that he wants to grow the COAP program by increasing the number of programs as well as the length of the programs.

Ms. Barry added that the COAP program has been recognized on a national level and that it is being considered as a model for other similar programs.

e. Task Force Reports

i. Best Practices

Mr. Kirkland stated that this Task Force would be chaired by Mr. Joseph Falbo and that the Task Force would look at the management of the Society's chapters and committees.

ii. Diversity – COAP

Addressed under EC13 – J – O

iii. Annual Membership Meeting

Addressed under EC13 – J – O

Mr. Kirkland added that he and Mr. Adair had attended the Young CPA Conference. He stated that he was happy with the number of young CPAs in attendance but added that only two minority CPAs were present. Mr. Kirkland expressed the need to increase diversity. He added that he spoke with a representative from the

National Association of Black Accountants (NABA), and stated that the Society needs to engage members of NABA to become involved in the Society.

Mr. Fitzsimons noted that perhaps the Society should create student chapters that could participate at job fairs and college events. He added that once a student graduates from college, he or she could then move up to the Young CPAs, and explained that this would increase membership value for students. Ms. Barry stated that the Society has had a void in approaching colleges, added that she had created a new position, and that Ms. Tekecha Morgan, NYSSCPA Manager for Next Gen Programs, had been doing an excellent job of reaching out to colleges.

Mr. Adair announced that he had presented at the Young CPA Conference and noted that the group was actively engaged; however, the group was not very diverse. Mr. Adair expressed the need to get minorities and young people engaged. The Executive Committee further discussed ways to increase the participation of young CPAs and students in Society activities.

EC13 — J — 3
Vice Presidents' Reports

a. Chapters Update

Ms. Marino stated that she and Mr. Fitzsimons had visited the chapters, and thanked Ms. Dickenson for scheduling the visits. Ms. Marino stated that she had explained the chapter policies and procedures to the new chapter presidents and noted that the chapters had expressed interest in cosponsoring events and increasing participation of young CPAs in chapter activities. She added that the chapters are very active.

Ms. Marino and Mr. Fitzsimons stated that they hoped to attend some of the scheduled Town Hall meetings to get to know the chapters better.

b. Society Comments

Mr. Ruppel stated that four comment letters had been issued and five more were in the pipeline. Mr. Kirkland stated that he encouraged feedback on the comment letters and thanked Mr. Markezin for his work.

c. Committees Update

Mr. Benjamin stated that four committee meetings had been held offsite to broaden committee participation

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**Secretary/Treasurer's
Report**

across the state. He added that he and Mr. Kirkland had participated in the Oversight Committee conference calls to explain their expectations to the new committee chairs. Mr. Benjamin noted that it is important to get young CPAs involved in committee activities.

a. Nominating Process Update

Mr. Zovistoski announced that all petitions were due in the Society offices by 5:00 p.m. on Friday, August 9, 2013. He gave a brief overview of the qualification requirements for the Nominating Committee. Mr. Zovistoski stated that 10 petitions had been received so far, and that an election would be held since more petitions had been received than there are positions available.

b. Audit Update

Mr. Zovistoski provided a brief overview of the year-end draft audited financial statements as of May 31, 2013. He stated that the Finance Committee had reviewed the draft audited financial statements and that the overall performance is positive. Mr. Zovistoski announced that the IRS had selected the Society's 990-T for the year ended May 31, 2011, for examination. He thanked Mr. Patrick Payano, NYSSCPA Controller, and his staff for their work.

EC13 — J — 5
**Executive Director's
Report**

a. Governor's Tax Reform Commission

Ms. Barry stated that she had received a phone call from the former New York State Tax Commissioner requesting the Society's feedback on tax policies and issues. She added that the Society had been assigned a liaison from the tax department, Mr. Robert Platner. Ms. Barry explained that this was a wonderful opportunity for exposure for the Society.

b. Legislative and Regulatory Update

Mr. Pryba gave the Executive Committee an overview of several bills that may impact the profession. The first is bill S.5845, which is an overhaul of the state's not-for-profit organizations law. Mr. Pryba noted that the bill had passed and added that two Society members, Messrs. Kevin McCoy and Ethan Kahn, had provided testimony. The second is bill S.2607D which addresses the removal of school internal audit requirements. The third is bill S.4596 on non-CPA ownership. Mr. Pryba explained that this bill stalled and would be

reintroduced at the next legislative session.

He then gave the Executive Committee a brief overview of the federal issues and noted that prior to the start of the next legislative session, the Board of Directors would need to approve a legislative policy at their December 2013 meeting.

c. Dues Update

Ms. Barry announced that the Society had collected approximately 73% of the membership dues.

d. Relocation Update

Ms. Barry presented the Executive Committee with a brief overview of the move process. She thanked Mr. Markezin, Mr. Craig Mandelbaum, NYSSCPA Director of Internal Operations, and the Accounting and Legal Departments for their hard work. Ms. Barry explained that the move preparations took place over a three-year period. She gave the Executive Committee a brief timeline of events that occurred during the move period of July 25-29, 2013. Ms. Barry noted that there were some construction projects that were ongoing, and that they are expected to be completed by the middle of August.

Ms. Barry also stated that so far, there has been only positive feedback about the new location. She explained that a fund-raising campaign for technological upgrades had resulted in \$35,000 contributions from each of the Big Four firms and an additional \$24,000 in donations from other smaller firms and individuals.

Mr. Pryba gave the Executive Committee an overview of the process involved in leaving the old location. He noted that the Society had restoration obligations to fulfill at 3 Park Avenue and explained that he had been in negotiations with the landlord to comply with those obligations. Mr. Pryba added that those negotiations did not proceed in a timely manner, and therefore he had negotiated to release the Society from its restoration obligations in return for the payment of monies. Mr. Pryba then briefly reviewed the terms of the release for the Executive Committee.

After further discussion, Mr. Benjamin moved to approve signing the release, and Mr. Chan seconded the motion. The motion passed without objection.

EC13 — J — 6
Executive Session

Mr. Adair moved to enter into an executive session, and Ms. Marino seconded the motion. There being no objection, an executive session was held between 9:13 and 9:34 a.m. At the conclusion of the session, Mr. Benjamin moved to adjourn the executive session, and Mr. Fitzsimons seconded the motion. There being no objection, the executive session was adjourned. During the executive session Mr. Adair moved to approve Ms. Barry's new employment contract, and Ms. Marino seconded the motion. The motion was approved without objection.

EC13 — J — 7
Membership Report

Ms. Barry asked the Executive Committee to approve 247 new applicants for membership, bringing the Society's membership total to 29,124.

Ms. Marino moved to approve the Membership Report, and Mr. Fitzsimons seconded the motion. The motion passed without objection.

EC13 — J — 8
Suspension of Mediation & Arbitration and Media & Publishing Committees

Mr. Kirkland explained that he had spent time with Mr. Markezin and Ms. Nellie Gomez, NYSSCPA Manager of Committees and Administrative Services, to discuss the committees. Mr. Kirkland stated that the Mediation & Arbitration and Media & Publishing committees struggled with getting new leadership and participation. Mr. Kirkland explained that for those reasons he had decided to suspend the two committees for the moment.

Mr. Adair moved to suspend the Mediation & Arbitration and Media & Publishing committees, and Mr. Van Osten seconded the motion. The motion passed without objection.

EC13 — J — 9
**Approval of Additional
Bank Signatories**

Mr. Kirkland asked the Executive Committee to consider the following resolution:

RESOLVED, that Citibank shall serve as the banking institution for the Society and that Citibank and Bank of America shall serve as the banking institution for the Society's chapters;

RESOLVED, FURTHER, that the following persons are hereby appointed to serve as authorized signatories on all banking and investment accounts of the NYSSCPA other than those of its chapters:

J. Michael Kirkland

Scott M. Adair

F. Michael Zovistoski

Ian Benjamin

Joanne S. Barry

Colleen Lutolf

Ernest J. Markezin

Lisa Axisa

Bradley Pryba

RESOLVED, FURTHER, that with respect to the banking accounts of each of the chapters, there shall be three authorized signatories, the respective chapters' president, president-elect, and treasurer.

RESOLVED, FURTHER, that the officers and staff of the Society are hereby authorized and directed to execute and deliver any documentation required to carry out the intent of this resolution.

Mr. Adair moved to approve the resolution, and Mr. Van Osten seconded the motion. The motion passed without objection.

EC13 — J — 10
Adjournment

Ms. Marino moved to adjourn the meeting, and Mr. Van Osten seconded the motion. There being no objection, the meeting adjourned at 11:57 a.m.

Respectfully submitted,

F. Michael Zovistoski
Secretary/Treasurer