

**Federation of School of Accountancy
FSA Board of Directors Meeting (Live)
Thursday, February 6, 2020
The Westin Long Beach
Long Beach, CA
12pm-2pm**

Present: Antoinette Smith, Lisa Francisco, Janet Butchko (representing Kristina Chernick), Steve Matzke, Anne Magro, Richard Dull, Jennifer Mueller-Phillips, Maria Baltar (representing Stephanie Bryant), Gary Peters

Via Zoom: Sean Robb, Norma Montague, Craig White

Absent: Jon Davis

Administrator: Kimberly Gatewood

Meeting called to order at 12:15pm by President Antoinette Smith.

The group does individual introductions

Approval of Minutes

August 11, 2019 Minutes reviewed and approved by the Board

- Jennifer Mueller-Phillips approved
- Janet Butchko offered second

December 11, 2019 Minutes reviewed and approved by the Board

- Richard Dull approved
- Gary Peters offered second

Treasurer's Report

Sean Robb gave the report on the FSA financial statements, there were no outstanding concerns.

Administrator's Report

Kimberly Gatewood provided an updated count for memberships by department. Steve Matzke stated that invoices for 2020 dues have been sent out. Kimberly Gatewood will be sending out dues reminders in March and April.

Steve reported we are accepting articles for the Spring newsletters and issued an opportunity for members to express items they would like to see in the upcoming newsletter. The Board approved the layout of the newsletter. Antoinette Smith stated that she would like to highlight both the faculty merit and student 2019 awards in the upcoming newsletter.

Steve reports that website updates will begin next month. This will not be a complete overhaul of the website. It will be mostly administrative updates including, updating the Administrator's names and emails. Steve stated that the AICPA has full administration rights to the website and can make the "text" adjustments suggested at the meeting, such as removing the Articles of Incorporation and the

Bylaws from the website; making it easier to determine how to qualify for various awards; and various other minor changes.

Anne Magro wanted to know how much the Board is expecting to payout for website updates as we are still in talks of the merger. Steve replied that the AICPA will be charging for updates. Antoinette Smith also replied that we shouldn't expect to spend more than \$200 for the revisions as we are not planning to do a complete website revamp. During the website discussion, Board members reviewed the website together on a projected screen. There was a discussion in regards of what they would like to see removed from the website, including the Bylaws, Articles of Incorporation, and meeting minutes. They expressed that those items should be kept private within the group and not open for public view. Antoinette Smith stated she would like to see more photos of award recipients and conference activities displayed on the website. The main goal is to update the website to make it look more current and to provide a clearer idea of who we are and what we stand for. Jennifer Mueller-Phillips states that she would like to see the website reflect more of who we are and what we provide as an organization. The Board discussed revising the Vision and Purpose Statement shown on the website to ensure that it reiterates the purpose of the organization. Antoinette Smith asked for volunteers from the group for someone to review and come up with suggestions for changes and updates. There were no volunteers. There was also an ask for volunteers for website updates suggestions. Anne Magro stated that we should also reach to members for suggestions on what they would like to see on the website. Richard Dull would like to issue a request to members during the May meeting for suggested changes. Richard Dull suggest option for electronic payments for scholarship payments. Kimberly Gatewood will reach out to the finance team to confirm if there is an option to add an electronic payment option to the FSA website. Kimberly Gatewood will send out a reminder to the group to submit suggestions for website updates.

Steve Matzke discussed the awards they are expected to give out during the conference this week and lists who will be receiving an award. Steve and Kimberly will be going into FSA awards starting mid-February. Asks that any updates for the newsletter be submitted by the beginning of May to be included in the spring newsletter going out in June.

Steve Matzke brings the topic of dues being written off for the University of Miami. Antoinette Smith would like clarification how long they have been a member and their previous payment history. Jennifer Mueller-Phillips would like to know if we have an established policy for writing off membership dues. Antoinette Smith states that she is fine with writing off the dues if the schools later have an opportunity to pay and resume membership. The Board agrees to write off the dues for University of Miami. Kimberly Gatewood will send out the dues reminder in March and April to outstanding members.

2021 APLG/FSA joint meeting

Jennifer Mueller-Phillips stated they are pushing for the ability to have electronic materials. Also pointed out that Gary will be replacing Jennifer as the coordinator next year. The conference will be in Dallas, TX on February 12 - 13, 2021. They are currently seeking out 3 new sponsors for next year.

Jennifer Mueller-Phillips will be reaching out to Stephanie Glazer to verify if there is any flexibility in the dates.

Deloitte/FSA Consortium May 2020

Janet Butchko and Richard Dull discuss the upcoming Deloitte/FSA conference. They are working on the topics for the conference. Richard states they are looking into the “Dark Web” as a potential topic/theme for the conference. Richard Dull brings a question to the Board regarding invitations being sent out. He would like them to be sent out at least by the end of February.

Janet Butchko agrees they are still in the planning stages and is planning for 100 or more attendees. She would like for the topic to be focused around technology in the profession. Jennifer Mueller-Phillips says that she has noticed firms are holding more technology-based workshops. Expressed concern that we aren’t as competitive as we have not offered anything in this area. This is an opportunity for us.

Education Regulation Committee

Jennifer Mueller-Phillips: no additional updates for education regulation committee. The committee has not had a task since the last meeting.

Joint Committee

Antoinette Smith stated that she has had limited contact with AICPA in responding to our caveats. The last conversation was with Terry Shevlin and APLG representatives via email in December. Antoinette Smith suggested that we are unlikely to have AICPA changed their membership structure to represent FSA’s membership structure. Antoinette Smith states that she does not have an official standing in the merger conversation and is open to going either way the group decides.

Smith also asks the group if they feel that they have given 100 percent commitment to their position as Board members as there the FSA has the potential to be everything it was always meant to be if everyone is willing to commit to their roles.

Anne Magro states APLG members are excited for the merger.

Richard Dull would like for us to decide who we want to be as an organization before we commit to a merger. This will give us a better understanding as where we would like to end up once both organizations join. He states that our mission and articles should express what we would like to be as an organization and express how we can grow the accounting profession. The grad student program is most hit with changes and growth opportunities in this area. Antoinette Smith feels that our vision should be vague in that it offers room for flexibility.

Antoinette Smith speaks on her discussion with FSA members and the history of the organization and their heart felt feelings toward the organization. Feels that we should engage with members more as they are always eager to help. We should also reach out to members to gauge their interest in serving as Board members. Jennifer Mueller-Phillips would like to show the connection with APLG and FSA to show how similar each organization is. Would also like to discuss topics that are important for accreditation and the value add. Jennifer stated that she is a proponent of merging as the individuals who belong to the APLG are often also participants of member schools in FSA. A single organization could be more effective and efficient. Antoinette Smith asks Jennifer Mueller-Phillips: what purpose would the FSA Board serve if we decide to merge? Jennifer’s response is that Craig and Elizabeth proposed a board structure that would allow board leadership positions to reflect the original purpose of both organizations (e.g. co-Vice Presidents). Anne Magro states that the focus should be on the

organization building strong departments and programs especially for graduate programs. She suggests that the APLG should also emphasize on the importance of programs being accredited if the merger occurs.

Antoinette Smith asks the group if there would still be an emphasis on institutional membership to the FSA. Jennifer Mueller-Phillips responds that it would relate to the Deloitte consortium and schools being allowed to send a faculty representative on their behalf. Anne Magro discusses the type of institutional membership options. Janet Butchko replies to the group that Deloitte is 100 percent supportive in whichever direction the Board decides to go regarding the merger and the consortium will not be changed. The program will still go on and will be a great opportunity. Maria Baltar expressed to the group that she feels the program will be swallowed if the merger is completed as a smaller organization is merging with a larger organization such as APLG. The concern is that the focus will be on directors rather than the graduate programs. Antoinette Smith responded that the concern with the merger is that we do not know the bylaws and rules of the other organization and it makes it harder for us to decide as we do not know where we stand or what position to take in the merger. Anne Magro states that she has not heard the merger being spoken of as an FSA takeover and does not recommend reaching out to the members for input. The Board should make the decision and follow the bylaws. Input should be given when creating the bylaws for the newly merged organization once it happens. The new bylaws should reflect the view and purpose of the new organization.

Sean Robb addresses the group via phone asking why there would be any concern that the FSA would fail as a result of the merger. Anne Magro responded that the FSA and APLG are forming a new organization that would create a new section. We need to find a way that works for everyone and not one organization must focus on doing one thing. Jennifer Mueller-Phillips replied to Anne stating that at some point the majority voice is more likely to be how the organization is characterized. Sean Robb replies that at the end of the day there will be one decision, and that is that there will be only one [joint] organization.

Antoinette Smith asks the group for any additional comments and indicated that we should not move forward prior to housekeeping that is needed in the FSA, as well as minimize the confusion. She indicated that we should also remember that we represent the membership institutions. The Board members would like start looking for fresh memberships and adding new people to the board to bring new ideas and opinions. Board members agree that everyone should have a refresher on the bylaws and possibly review the merger later. Antoinette Smith stated that she would be greatly concerned for members if they found out about the merger through rumors and would like to make sure members are aware of any movement the Board prepares to make. If there is any discussion regarding the merger, she would like for the information to be distributed by the Board. Antoinette Smith stated she did not feel comfortable with the merger happening under her leadership and lists concerns about the merger happening as things stand today. Richard Dull responds that we should focus on where both organizations overlap and how we can contribute. We can build something that we all can agree on and determine where we all stand. Antoinette Smith replies that she does not want to merge in confusion and would like to see more items sorted out before we consider the merger. Anne Magro stated that we should continue to work the APLG to understand what the merger might look like and share with our members.

Lisa Francisco expressed that although AAA has not been responsive to our questions, we should not abandon the discussion on our end, and we need to continue to explore. Anne Magro proposed that we continue to work with APLG to discuss the merger to address the organization overlap and where we stand.

Gary Peters: The board has already decided to explore the merger and my understanding is we need to clarify with everyone what we are exploring, and this appears to be what we all need at the moment. I thought we voted to cease exploration on the board meeting call prior to this meeting. Jennifer Mueller-Phillips: We agreed not to give an update because we had not had any new info and suggested that the August AAA meeting might be the better time for an update.

Steve Matzke: What was the most recent ask to discuss the status updates for the caveats: Antoinette Smith replied that the most recent request was in December and January. They have given their answer for one that they have a membership structure and that we must fit within that membership structure.

Gary Peters: How would Deloitte choose which institutions get a fair shake at scholarships and attending conferences. Janet Butchko replies that Deloitte would not decide, it would be up the organization.

Gary Peters: Does AAA offer individual scholarships? We need to know if that is possible. What would happen to our student awards in the merger? To me those are vital areas that we would need to clarify. Richard Dull commented that the schools would have to rely on private programs and that would discriminate against schools that do not have the option and schools that have a much smaller graduate program. Janet Butchko stated they previously had this same problem with the TB programs. Schools wanted to be invited and they concluded that not every opportunity will be given to everyone based on their membership.

Antoinette Smith would like to make sure that we form a committee for discussion that would be unbiased and able to make a sound decision.

Antoinette Smith suggests we suspend the motion as it is too early to discuss. The conversation appears to be endless and has consumed much of last year's and this year's conversations. She would like not to have any discussion regarding the merger without getting work done that is on the agenda for the FSA. Jennifer Mueller-Phillips requested that we not abandon (or recreate) the tremendous amount of work completed by Craig White (on behalf of FSA) and Elizabeth Oliver (on behalf of APLG).

Anne Magro raised the motion that we continue to have discussion with talks about the merger. Not to merge, only for open discussion.

Anne Margo Motion: to continue to have talks what a merger with APLG

Second: Janet Butchko second

Bylaws Committee

Anne Magro points out the primary issues were to resolve Section 5D (Bylaws Committee). Stating that there should be 3 members appointed by the President and approved by the Board before any changes to the Bylaws can be made. They can also approve members via email. Antoinette Smith asked how we can resolve the issue. Anne Magro stated that we should form the committee. Committee members will be Norma Montague and Anne Magro. A third member will be added later. Norma Montague states that she feels it her University (Wake Forest) should not have an issue filing the spot. Anne

Magro states that the purpose of the committee will be to ensure we are following the Bylaws. She also would like for Section 5 to have a more solid explanation of who can serve on the committee. As written, it seems that anyone can serve. She believes it should be more specific as to who can serve on the committee.

Antoinette Smith raised the question of if anyone else would like to be on the committee. No additional response.

Anne Magro also discussed the rules of the NY code regarding email voting procedures and mergers. States we need to have rules that explain how we should go about doing these things. Antoinette Smith asked if this is something that can be added to the bylaws.

The committee is going to create a metrics of things that need to be added and updated. Antoinette Smith asks if there is anyone that would like to replace Jon Davis if he decides to no longer be a part of this committee. Gary Peters will replace Jon Davis should he decide to no longer participate. Anne Magro will reach out to Jon Davis to confirm his continued interest in the committee.

Anne Magro states that bylaws updates will be completed by the May meeting.

AICPA Contract Committee

Gary Peters stated there are no pressing issues regarding the current contract in place. There are no changes that need to be addressed. Every 3 years the contract needs to be reviewed for any revisions. Gary did not see any pressing issues that needed to be changed. Gary wanted to point out that if the merger does take place, we would need to revisit the contract as it could cause the contract to no longer be effective. The Board agrees to approve the contract as is with no additional changes needed.

Other Business

Steve Matzke discusses the upcoming program from the AICPA, CPA evolution.

Meeting Adjourned by Antoinette Smith at 2:41pm.

Summary of Task (for reminders of tasks to be complete)

- Kimberly Gatewood will be sending out dues reminders in March and April
- Kimberly Gatewood will reach out to the finance team to confirm if there is an option to add an electronic payment option to the FSA website.
- Kimberly Gatewood will send out a reminder to the group to submit suggestions for website updates
- Kimberly Gatewood will send out the dues reminder in March and April to outstanding members.
- Jennifer Mueller-Phillips will be reaching out to Stephanie Glazer to verify if there is any flexibility in the dates.

- Anne Magro will reach out to Jon Davis to confirm his continued interest in the committee.
- Anne Magro will provide updates via email on the Bylaws and have it ready by the May FSA Board Meeting