



# NCACPA Board of Directors Meeting Minutes

October 5-6, 2017

Grand Bohemian Hotel, Asheville, NC  
Rollin Groseclose, CPA, Chair, presiding

## *Members Participating*

Rollin Groseclose  
Zach Donahue  
Whitney Gann  
Nicole Benford  
Mike Gillis  
Sarah Bruce

Bill Ezzell  
Eddie Sams  
Jonathan Kraftchick  
Malcomb Coley  
Kristen Hoyle  
Kelli Knoble

Dianne Uzzell  
George Beckwith  
Scott Showalter  
Shawana Karkouki  
Ronnie Eubanks

## *Staff Participating*

Sharon Bryson, Mark Sotichuck, Nikki Vann, Amelia Hodges, Jennifer Rowell, Lorrie Leonhardt, Jackie Asekhauno, Carly Howard, and Alexis Verbic.

## *Guests*

NC State Board of CPA Examiners (NCSBE) Deputy Director, David Nance, CPA; NCSBE President, Hunter Cook, CPA; Dave Horne, Esq., Smith Anderson, NCACPA Legislative Counsel; Lindsey Dills, CPA, Underwood, Dills & Associates, PC; Leroy Kauffman, PhD, CPA, Western Carolina University – College of Business; Michael Ramos, CPA, CGMA, Southeastern Container Inc.; Richard Turpen, PhD, University of North Carolina at Asheville; and David Wiggins, CPA, Dixon Hughes Goodman LLP.

## **Administrative Matters**

### *Call to Order*

Rollin Groseclose called the meeting to order and welcomed members of the NCACPA board, reps from the NC State Board of CPA Examiners, NCACPA staff, and other invited guests. The CPAs in attendance stood and recited the "Oath of a NC CPA."

### *Consent Agenda*

The minutes of the June 21, 2017 Board of Directors meeting were presented, a motion was made by Dianne Uzzell, seconded by George Beckwith, and the minutes were unanimously approved.

## Strategic Discussions

### Enhanced Membership Engagement

Rollin introduced each of the member guests from the Asheville area and asked them to discuss their current and/or future professional challenges/opportunities, and how NCACPA might assist. Here is a summary from their conversations:

- Academia-related issues include (i) both creating and marketing a program that will entice students to come to the Asheville area to study accounting, (ii) improving the rate of students sitting for the CPA Exam – possible curriculum changes, (iii) providing students with opportunities to visit firms/businesses, and (iv) recognizing the pipeline issue definitely exists as relates to PhDs in accounting.
- NCACPA SLINC (Student Leadership Institute of North Carolina) was very beneficial – would like to see it reinstated. Jennifer Rowell, NCACPA Director of Member Engagement mentioned SOAR (Student Outreach, Advancement and Recruitment Committee) is dedicated to student outreach.
- High Schools – Outreach/awareness needs to start in the high schools.
- Pace of change – professional changes are happening faster than ever, including technology innovations, regulation and standard revisions.
- Perception of Accounting – stressed a need to continue NCACPA's focus on image enhancement and protecting the brand.
- Advocacy – Need to support the NC CPA PAC and legislative issues facing the profession.
- Succession Planning is a huge issue for both firms and universities as baby boomers exit the workforce. No question the CPA pipeline issue is significantly impacting small to mid-sized firms.
- Work life balance issues create challenges for many in terms of continuing academic pursuits (i.e. very few single parents can balance both,) and the lack of money interrupts education. Need to determine what firms will reimburse for school and the CPA Exam in order to help with costs.

### Governance & Operational Effectiveness

#### *Prior Task Force Calls*

At the June 21, 2017 board meeting, board members were divided into 4 strategic groups to (i) identify any additional - and prioritize current - strategic tactics, (ii) discuss the longevity of tactics and (iii) determine what success looks like for each tactic. Each strategic group was asked to hold one conference call to continue discussion and report at the October board meeting. Here is that recap:

#### Increased Advocacy & Awareness

- Ongoing recognition of public policy issues impacting our members, especially legislative issues (i.e. practice management concerns), and development of some type of tool/instrument to gauge these issues and share related progress.
- Cultivating relationships – focusing specifically on legislative agenda/issues. Possibility for Accountants Coalition to be of assistance.
- Monitoring of issues to determine our response. Re-circulate the “connections” list to help identify the right members to assist with working on issues. A listing of the UNC Board of Governors, and the Revenue Laws Study Committee was circulated, asking board members to sign their name next to individuals they are acquainted with.

### Governance & Operational Effectiveness

- Continued focus on Association governance – work to enhance communication throughout the organization with all parties; recommend additional dialogue between committee chairs and board liaisons; discuss setting specific deadlines and ability to measure success; create a process to identify strategy overlap.
- Explore other Revenue Sources - not currently a problem, but we need to be forward-thinking (ex. idea/investment in online learning five years ago); pace of change of the profession is so rapid, thus our revenue sources/composition need to be considered. There was a suggestion that other state societies be surveyed to see what they are pursuing in this same area.

### Enhanced Member Engagement

- Most of the items discussed in this category at the June board meeting are underway, including a heightened focus on member recruitment and retention.
- Working to identify the “next thing,” including:
  - a 3-4 person task force to figure out what NCACPA can do related to succession planning
  - CGMA – how are CGMAs recruited? How actively involved are existing CGMAs with either the AICPA or the NCACPA?
  - Changes in peer review may create a significant amount of member engagement opportunities to capitalize on (i.e. education, awareness, etc.).

### Highly Valued Professional Development

- Personas – identifying our target/best customer and understanding more about the consumer behaviors of that individual.
- Augment and improve the quality of our online learning programs and platform.
- Continued focus on the overall member experience of our PD offerings.

Group discussion ensued with the following questions and comments:

- “Personas” is a relatively new concept and while this information is needed, the cost/benefit of obtaining the data must be considered.
- A CPE tracking tool may be something to consider, but there are hurdles including the financial investment, as well as lack of incentive for NCACPA members/non-members to utilize the tool.

Rollin indicated we will coordinate with the board leaders of each strategy group to set up a conference call to discuss next steps.

Rollin reviewed the “Advocacy Report Card” and what it represented. He explained the statistics were based on fiscal year not calendar year, and pointed out the convenience of online contributions to both the PAC and the NC CPA Foundation.

## **Increased Advocacy & Awareness**

### *NC CPA Foundation Task Force*

Bill Ezzell provided a summary of the framework in the proposed scholarship programs and funding recommendation documents submitted by the task force to the board. The message centered on creating a strategy for the Foundation divided into modules, with the purpose of being more dynamic based on need and financial resources at a given point in time. A discussion came up involving NCACPA’s need to

provide a recurring donation option on our website. Board members expressed no issues with proceeding with the Task Force's plans presented in these documents.

### *Health & Wellness of NC Accounting Programs*

Eddie Sams gave a brief summary stating reports have been delivered to all eight MAcc programs within the UNC system. Eddie stated one of our next steps is to reach out to the UNC Board of Governors, whereby relationships will be key in discussing issues regarding ongoing challenges in attracting/retaining accounting professors within our UNC system.

## **Strategic Discussions**

### **Governance & Operational Effectiveness**

#### *Pricing Project Discussion*

Jennifer Rowell and Mark Sotichack provided an update on preliminary results from the membership and professional development pricing project. Jay Younger with McKinley Advisors attended via video conference. The presentation covered the following:

- An overview of the project, trends in the association industry, and the overall sentiment of NCACPA from members and non-members.
- Phase I proposals to both consolidate membership categories with a revised price point and offer an "access" pass to webinar and OnDemand CPE programs for a flat rate. Phase II proposal to implement a firm/corporate membership package – likely FY 2020.
- Plans to proceed including certain decision/approval points where either/both Executive Committee and board approval will be solicited.

Following the presentation, discussion centered on the need for (i) a thorough communication/PR strategy, (ii) an augmented webinar and OnDemand program library, and (iii) continued consideration of evolving trends in membership.

### **Increased Advocacy & Awareness**

#### *Advocacy: Member Engagement & Execution*

Sharon Bryson and Dave Horne provided an update on legislative matters, including:

- NCACPA's letter to the NC Department of Revenue, (copying appropriate legislators,) focused on our willingness to assist with the DOR's feasibility plan concerning the extension filing form conformity initiative.
- Tax Committee's use of Connect to identify areas of concern, and utilizing the feedback to compile a legislative agenda/focus.
- NCACPA's efforts to revise its "key contact list" to enable more effective advocacy efforts.
- NCACPA is currently engaged in discussions with the NC State Board of Elections as to allowing firms to collect money based on a "check-off" election through payroll, enabling firms to transmit committed funds from those individuals in one lump-sum to the NC CPA PAC. More to follow on this initiative.

Discussion followed stressing the importance of identifying a monetary goal for the NC CPA PAC, which is supported by a defined plan to accomplish its mission. Furthermore, there was belief that a robust

communications strategy is key, including transparency around the values/platform the NC CPA PAC supports, etc.

Board members were encouraged to continue to support our PAC, as well as the NC CPA Foundation, with Rollin stressing the imperative goal of having 100% board member participation in each. Rollin provided an update on board donations, noting we were very close to the 100% goal as of this meeting date.

### *Evolution of AICPA Peer Review Program*

Sharon Bryson and Mark Sotichack provided a brief update on the "AICPA's Evolution of Peer Review Administration" final paper, takeaways from the AICPA's conference call on September 20<sup>th</sup>, and NCACPA's timeline of evaluation. Management is working on compiling recommendations for the Executive Committee/Board of Directors to consider for approval, which will be in the December/January timeframe.

## **Other Board Responsibilities**

### **Financial Matters**

#### *Treasurer's Discussion*

Dianne Uzzell, Treasurer, presented the audited financial statements for the year-ended April 30, 2017, performed by NCACPA's new auditors, CohnReznick. There were no matters that rose to the level of discussion by the board. Since the audited financial statements were approved and submitted to the Board of Directors by the Audit Committee, there was no need for a motion. The board subsequently unanimously approved the financial statements.

Dianne also briefly reviewed the financial statements for the year-to-date period ended August 31, 2017, noting no significant issues/variances.

## **Adjourn**

There being no further business to discuss, Chair Groseclose thanked everyone for their participation in our meeting in his "fair city" of Asheville, and then adjourned the meeting.