



## NCACPA Board of Directors Meeting Minutes October 1, 2020 Kelli Knoble, CPA, Chair, presiding

### *Members participating*

Walter Davenport	Kelli Knoble	Abi Raja	Bryan Swerbinsky
Whitney Gann	Jared Korver	Jose Rodriguez	Arleen Thomas
Shawana Hudson	Alex Lehmann	Michelle Tracz	Scott Showalter
Scott Hughes	Beth Monaghan	Austin Wachter	

### *Staff participating*

Sharon Bryson, Mark Sotichack, Nikki Vann, Amelia Hodges, Lorrie Gold, Teka Miller-Alston, Jackie Asekhauno and Carly Rutledge.

### *Guests*

NC State Board of CPA Examiners Executive Director, Bob Brooks, and Deputy Executive Director, David Nance; Pillar Consulting CEO, Dr. Bahby Banks.

## **Administrative Matters**

Board Chair Kelli Knoble called the meeting to order and welcomed all those participating.

CPAs in attendance recited the *Oath of a North Carolina CPA*.

### **Consent Agenda**

Kelli inquired if there were any comments concerning minutes of the August 12, 2020 Board of Directors meeting. There being no questions or comments, a motion was made to accept the minutes as written, which was unanimously approved.

## **Strategic Discussions**

### **Diversity, Equity & Inclusion**

Dr. Bahby Banks presented Pillar Consulting's findings on NCACPA's DEI efforts to-date and recommendations going forward. The presentation covered the process undertaken to inventory all of NCACPA's DEI efforts, programs, etc., understanding the goings on in the accounting profession/industry, as well as examination of the Association's diversity and inclusion statement. After providing a high-level overview of Pillar's Five "A" Strategies and the 10 recommendations in the report, there was open discussion by members of the board members that revolved around three central themes:

- NCACPA's DEI initiatives should focus on the following three areas: (i) internal NCACPA operations; (ii) Association volunteers and volunteer leadership; and (iii) modeling and supporting the membership/profession.
- Comprehensive DEI training is critical, especially in the early stages, as it creates the foundational knowledge necessary to move forward.
- Widespread agreement and awareness of the role that NCACPA can play as a "guiding star" in this all-important space, alongside the opportunity to play a major positive DEI role in the accounting profession.

## Governance & Operational Effectiveness

### Committee Restructure Task Force Report

Task Force Chair Scott Showalter conducted a review of the process undertaken by the Committee Restructure Task Force (CRTF), and the resulting recommendations on “what” the proposed structure looks like for committees in terms of future volunteer efforts at NCACPA. Key themes of the Phase I deliverables impacting the new structure include:

- Transition to market-based opportunities and offerings;
- Review of the overall structure and alignment - from the Board of Directors - down to volunteers within the professional community; and
- Focus on the composition and responsibilities of board standing committees, resource groups, and networking/community groups.

After Scott’s presentation, discussion centered on the (i) importance and heightened role the DEI Advisory Committee should have in this model, especially in light of the earlier DEI presentation, and (ii) the necessity that the “how” part of Phase II considers measures of accountability and ways to ensure collaboration amongst the committees/groups in order to avoid siloed efforts.

The board unanimously approved the recommendations set forth by the CRTF in Phase I, recognized and thanked the task force for their diligent efforts, and authorized the group to move forward with Phase II of their deliverables.

### Identification of Future Board Characteristics & Skills

After review of the characteristics and skills worksheet, the board noted key areas of focus for the next class of board members should include:

- Diversity, Equity & Inclusion leadership, including related experience within their respective organization
- Digital marketing and promotion
- Technology in the broader sense of the term
- Current and/or recent background in academia/education

### Treasurer’s Update

#### *Audit Report*

The consolidated financial statements of NCACPA and its affiliates as of and for the year ended April 30, 2020, was presented by Whitney Gann, as Treasurer and Chair of the Audit Committee. For the first time, the financial statements are consolidated to include NCACPA, the NC CPA Foundation, and the NC CPA PAC. Whitney noted that CohnReznick issued an unqualified (clean) opinion on the financial statements and that there were no material weaknesses or significant deficiencies identified. The audited financial statements were unanimously approved, subject to the change of addressee from management to the Board of Directors.

#### *August 2020 Financials*

Whitney shared an update of our financials for the period ended August 31, 2020, noting that at the end of August there was a marginal net deficit from operations of \$21,000, which is \$398,000 ahead of the budgeted deficit for the same period. The favorable variance is a result of (i) a margin on CPE programs of 57% compared to a budgeted margin of 48% for the period, and (ii) significant organizational cost controls.

Membership dues, down 3%, are close to budget. This is primarily a result of efforts related to *Ring in The Members (RITM)* – a recruitment initiative implemented by the entire NCACPA team. As part of RITM, the team routes customized renewal emails, intentionally focusing on each individual member regarding their respective renewal process. In addition, the time devoted to the RITM initiative was intentionally extended this year (as it began in July and concluded at the end of September.)

#### *Investment Committee Update*

Whitney commented that the Investment Committee met in September, and that the Association's investments have fully recovered from earlier losses this year and are now reporting a 6% unrealized gain for the calendar year. She noted the Investment Committee will continue to monitor the portfolio, focusing on funds available for future strategic initiatives.

## **Enhanced Engagement**

### **Use of CPA Title in NC as Relates to a New Candidate's Experience Affidavit & Social Media**

Whitney briefly discussed that as a result of working with the NCACPA Membership Committee on this initiative, we would be sending the NC State Board suggested revisions to some of their related correspondence, as well as a new FAQ document that may be provided with these letters – along with a suggestion that these same FAQs be featured on the respective websites of both NCACPA and the NC State Board.

## **Adjournment**

There being no further business to conduct, Kelli Knoble thanked everyone for their participation and adjourned the meeting at 1:22 pm.

Respectfully submitted,  
Sharon H. Bryson, M.Ed., NCACPA CEO  
Secretary to the Board