



NCACPA Board of Directors Meeting Minutes January 13, 2021 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, Robert Broome, Carly Rutledge, Samantha McKeon.

Guests

Jack Schmoll, Taxation Committee Co-Chair
Jason Poole, Advocacy Advisory Council Chair
Dave Horne, NCACPA Legislative Counsel/Lobbyist
Bob Brooks, North Carolina State Board of CPA Examiners
David Nance, North Carolina State Board of CPA Examiners

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*.

Sharon introduced and welcomed Samantha McKeon, NCACPA Executive Assistant, and Robert Broome, NCACPA Director of Advocacy, to attendees, this being Samantha and Robert's first board meeting.

Consent Agenda

Kelli inquired if there were any comments concerning minutes of the October 1, 2020, board meeting. There being no questions or comments, a motion was made to accept the minutes as written, which was unanimously approved.

Strategic Discussions

Increased Advocacy & Awareness

Robert Broome led a strategic, interactive discussion focused on NCACPA's Advocacy and Awareness efforts in 2020, NC CPA PAC highlights, and the 2021 Legislative Agenda. Featured guest speakers included Jason Poole and Jack Schmoll, both of whom provided context around items in our 2021 legislative agenda.

During the conversation, a few key items/takeaways were addressed, including:

- The Code of Conduct for our *Connect* platform is being reviewed and updated by NCACPA's leadership team and ultimately, by NCACPA's legal counsel. The board will receive an updated copy once finalized.

- NCACPA's criteria detailing how PAC funds are currently distributed to candidates was referenced. The idea to re-analyze our metrics due to the current environment, as the Big Four accounting firms are doing, was discussed. Sharon commented that transparency in this area will continue, ensuring our board – and our membership – knows the “who and why” regarding distribution of NC CPA PAC funds.
- Robert noted he will reach out to each board member concerning our Key Person Program to see if there are connections to state and federal legislators, and a desire to assist NCACPA in its legislative outreach.

Diversity, Equity & Inclusion

Amelia Hodges presented NCACPA's overall DEI timeline, highlighting upcoming steps for the next six months. NCACPA will initially focus on the first two “A's” – Aims and Assessment – of Pillar Consulting's five “A” Strategies. “Aims” focuses on what NCACPA wants to do, and “Assessment” is centered on gaining a clear understanding of our needs through data, to then drive the action. As of the board meeting, 12 individuals had volunteered for the DEI Resource Group, with the deadline being January 15. DEI training initiatives were highlighted, including NCACPA's continued collaboration with our education partners, The Diversity Movement.

Governance & Operational Effectiveness

Committee Restructure Task Force Update

Task Force Chair, Scott Showalter, discussed the completed CRTF phase II deliverable – the Resource and Networking Groups' Operating Procedures. Scott noted the document's primary focus is for the NCACPA team, while also referencing several audiences were considered during the write-up. The CRTF will now proceed to phase III, focusing on implementation.

Prior to initial implementation in May, the CRTF will focus on gathering feedback from internal and external individuals in February, ensuring concerns are addressed - and during March and April, will develop specific committee transition plans. Scott requested board feedback to help ensure the implementation/transition to resource and networking groups goes as smoothly as possible. A tentative spot will be held for the announcement of this transition in the Spring *Interim Report* issue.

Financial Matters

Whitney Gann shared an update of NCACPA's financials for the period ended November 30, 2020, and FY21 Projections. She noted the organization's robust financial health, giving credit to cost cutting solutions, staff discipline, and nimble transition to virtual learning and engagement. Membership dues have surpassed the revised COVID target and are 3% behind the original budget. Year-to-date, our CPE margin is 60%, compared to budgeted 45%, due to the transition to all virtual programming. There is a new Don Farmer course open for registration, which should ensure an additional significant amount of revenue.

Investment Committee Update

Whitney shared the Association's investments are reporting a 11% unrealized gain for the calendar year. The Investment Committee is meeting the week of January 18 to draft a spending plan recommendation, including a discussion on planned future strategic initiatives and any resulting changes to the investment policy language.

Strategic Discussion on Expectations & Considerations for FY22 Budget

Whitney referenced information regarding the FY22 budget timeline. She also mentioned NCACPA sent a survey to the Executive Committee asking what the “guiding principles” of the FY22 budget should include. Responses included the importance of:

- 1) upside/downside scenarios or modeling;

- 2) making clear what our key assumptions are in creating the budget; and
- 3) member behavior – how has it changed? /will it change? /and how will we adapt to different member groups and personas?

Teka Miller-Alston discussed membership dues pricing and the proposed intention to continue NCACPA's adherence to prior recommendations (from consulting firm, McKinley Advisors) by instituting a price increase of no more than 3% for consideration. Strategic conversations ensued discussing the implications and potential perception. Additional conversation on this topic will occur during the February 24 Executive Committee budget meeting. It was noted all board members are welcome to attend, with formal budget approval occurring during the March board meeting.

Other Board Responsibilities

2021 Nominating Committee

Nominating Committee Chair, Scott Showalter, noted the upcoming January 27, 2021, Nominating Committee meeting will result in the selection of the next class (totaling four individuals) of NCACPA board members.

Other Business

Mark Sotichek highlighted the execution of the Coastal Peer Review program, which is officially live. This new entity was a collaborative effort with the Maryland Association of CPAs and is the first jointly created entity between state societies in over 30 years.

Sharon thanked the board for their steadfast support of this initiative, and the NCACPA team for their exemplary diligence and commitment to this effort as well.

Adjournment

There being no further business to conduct, Kelli Knoble thanked everyone for their participation and adjourned the meeting at 12:12 pm.

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