



NCACPA Board of Directors Meeting Minutes January 20, 2022 Shawana Hudson Spann, CPA, MSA, Chair, presiding

Members participating

Shawana Hudson Spann	Alex Lehmann	Kristin Pappas
Kelli Knoble	Rob Rowan	Kimberly Branch
Whitney Gann	Jared Korver	Abi Raja
Beth Monaghan	Bryan Swerbinsky	Jose Rodriguez
Dr. Kevin James	Jeanette Franzel	

Staff participating

Sharon Bryson	Kelly Cain	Jackie Asekhauno
Mark Sotichack	Amelia Hodges	Lorrie Gold
Robert Broome	Nikki Vann	Liz Cooper

Guests

Dr. Bahby Banks, CEO, Pillar Consulting
David Nance, Executive Director, NC State Board of CPA Examiners

Administrative Matters

Call to Order & Introductions

Board Chair Shawana Spann called the meeting to order and welcomed those participating. She invited the CPAs in attendance to recite the "Oath of a North Carolina CPA."

Consent Agenda

Shawana presented the consent agenda, consisting of minutes from the September 29, 2021, board meeting. There were no questions or comments, and the minutes were unanimously approved.

Strategic Discussions

Governance & Operational Effectiveness

FY23 Budget Prep Discussion – Whitney Gann & Nikki Vann

November and December 2021 Financials and FY22 Projections

Treasurer Whitney Gann reminded the board where NCACPA finished financially at the end of the last FY. Due to cost-cutting measures, the Association ended with at \$1.2M surplus. In response to that outcome, the board opted to contribute \$100k to the Foundation and designated \$1.1M to strategic initiatives (surplus amounts from FY20 and FY21). NCACPA is projecting approximately \$260k of strategic projects will be paid out in FY22.

FY22 has not seen, nor did we expect to see, the same results as FY21. Before unrealized gains, NCACPA is projecting a loss of \$964k (which includes the \$360k earmarked per above). The remaining deficit can be attributed to 4 key areas:

- decrease in membership and CPE attendees
- controlled and planned investments for experimental hybrid/virtual events resulting in higher expenses

- staffing turnover resulting in increased temp expenses
- an increase in system expenses for consultants to support expertise needed in those areas during staff transition.

Based on the KPI's and levers created at the beginning of the year, it appears as though ERC funds (\$368k) and forgiveness of PPP loan (\$485k) will cover the majority of operational losses for FY22.

Strategic Discussion on Expectations and Considerations

Topics the board brainstormed for inclusion in the FY23 budget/presentation were:

- data helping us understand historical and forecasted trends in membership
- investment in marketing/promotions of the CPA profession to improve attraction and retention
- enhanced technology around constituent user experience
- ensuring personnel budget reflects market demands
- consideration of other revenue streams and Foundation needs

Budget Timeline

The Executive Committee will be meeting on February 24, which will include the budget presentation by the Leadership Team. Members of the Board are encouraged to attend this part of the meeting and should contact Sharon Bryson if interested in doing so.

Nominating Committee Update

Nominating Committee member Kelli Knoble indicated their second meeting would take place on Friday, January 28, noting the committee has a robust list to be considered for this next cycle. It was announced that Arleen Thomas had been nominated to serve as Chair-Elect in the upcoming year and Jared Korver was nominated to serve as Treasurer for the 2022-2024 term. Deadline for board member applications will be end of day Friday, January 21.

Diversity, Equity, & Inclusion

Guest Presentation – Dr. Bahby Banks, CEO, Pillar Consulting - Report of NCACPA Membership Survey Results & Related Recommendations

Dr. Banks presented the membership survey findings to the board. Out of 10,084 surveys sent, 517 members consented and completed them. These are some of the results:

- Majority of those completing the survey were long time NCACPA members, with 5 years or more in public accounting work, or hailing from business and industry.
- Majority of respondents were white, US citizens, with at least a bachelor's degree who speak English only.
- Very low disability issues.
- About 50/50 men and women.
- The top 3 benefits of membership were CPE, professional news, and *Connect*.
- The largest barrier to participation in NCACPA was other time commitments.
- In relation to DEI activities, most have not engaged in them due to being uninterested, time constraints or simply unaware.
- Widespread agreement on importance of pipeline programs in high schools and community colleges, as well as the importance of financial literacy programs.
- Significant support of women's groups and related activities.
- A large group felt that being 'supported' was not needed from their professional association.

- Nearly all stated they had no experiences with NCACPA that involved feeling offended...except by the question itself.
- 58 respondents expressed a desire that NCACPA discontinue its DEI work altogether, while a smaller group (16) encouraged the advancement of DEI efforts.
- Requested CPE Topics included: Neurodevelopment disorders, advancing DEI in private firms, ADA, responding to sexual harassment, and women in leadership.

Following lengthy discussion, it was concluded that while NCACPA's DEI statement includes action items on how we will proceed, the association will continue to develop strategies leveraging the information collected during the "Assessment" phase of our work. Dr. Banks was thanked for her presentation and for Pillar Consulting's prior work on behalf of our organization.

Increased Advocacy & Awareness

NC CPA PAC Update – Robert Broome

Robert reported on the Advocacy Advisory Council's request for the NCACPA Board of Directors' review and input of their "Guiding Principles for Public Policy" document. Areas for feedback are:

- Philosophy
- Guiding Principles for Tax Policy
- Government Fiscal Responsibility Philosophy
- Business and Industry Policy Philosophy
- Financial Literacy Philosophy

2021 NC CPA PAC Fundraising Report:

- Goal was \$30,000
- Major Investor goal: 83
- Participation goal: 135
- \$36,960 raised
- 118 investors (54 first-time investors)
- Participation: 158

2022 NC CPA PAC Fundraising Goals:

- \$45,000
- 130 investors
- 190 participation goal

Beth Monaghan issued a challenge to her fellow board members that she would invest an additional \$1,000 in our NC CPA PAC if every board member invests at least \$500 during 2022.

Other Board Responsibilities

Closed Session & Other Business

Shawana thanked invited guests for attending, after which the board moved into a closed session.

Adjournment

There being no further business to conduct, Shawana thanked everyone for their engagement and the meeting was adjourned at 12:52pm.

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