



➤ NCACPA Board of Directors Meeting Minutes

March 17, 2022

Shawana Hudson Spann, CPA, MSA, Chair, presiding

Members participating

Shawana Hudson Spann
Kimberly Branch
Jeanette Franzel
Whitney Gann
Kevin James

Kelli Knoble
Jared Korver
Alex Lehmann
Beth Monaghan
Kristin Pappas

Jose Rodriguez
Bryan Swerbinsky
Arleen Thomas

Staff participating

Sharon Bryson
Mark Sotichack
Amy Acosta
Jackie Asekhauno

Robert Broome
Liz Cooper
Lorrie Gold
Amelia Hodges

Kanalyn Jackson
Teka Miller-Alston
Nikki Vann

Guests

Dave Horne, NCACPA Legislative Counsel/Lobbyist, Smith Anderson
Mike Manspeaker, CPA, CPA on Staff, Coastal Peer Review

NC State Board of CPA Examiners

Barton Baldwin
Bernita Demery
Jodi Kruse
Jennifer Van Zant
Art Winstead
David Nance, Executive Director
Frank Trainor, Staff Attorney
Noel Allen, Counsel

NCACPA Board Nominees

Amy Bibby
Kelly Puryear
Anna Kinast
Yvonne Hinson
Courtney Knoll
Wendy Waller

NC A&T State University

Lawrence Bullock, Student
Camille Coleman, Student
Naya Davis, Student
Anaysia Payton, Student
Briana Person, Student
Mercy Towett, Student
Malissa Davis, PhD, CPA
Gwendolyn Highsmith-Quick, PhD, CPA
Lisa Owens-Jackson, PhD, CPA
Kecia Williams-Smith, PhD, CPA

Administrative Matters

Call to Order & Introductions

Board Chair Shawana Hudson Spann called the meeting to order and welcomed those participating both in person on campus at NC A&T State University and online. A special welcome was given to the NCACPA members nominated for 2022-2025 board service. She invited the CPAs to recite the "Oath of a North Carolina CPA."

Consent Agenda

Shawana inquired if there were any comments concerning minutes of the January 20, 2022, board meeting or the 2022-2025 NC CPA Foundation board nominees. Given none, a motion was made to accept both documents as presented, and they were unanimously approved.

Strategic Discussions

Governance & Operational Effectiveness

Recognition of Coastal Peer Review – Mike Manspeaker, CPA, Coastal CPA on Staff

Mike expressed appreciation for the opportunity to visit with the board and provided a brief history of the formation of Coastal Peer Review, Inc. ("Coastal"). A collaborative effort between NCACPA and the Maryland Association of CPAs, Coastal was formed to create a sustainable business model ensuring both states could 1) meet increasing requirements of the AICPA's peer review program, and 2) maintain a highly professional and efficient administering entity.

Mike reported on the successful first full year of Coastal, including its October 2021 oversight report that showed no findings. He also noted that given new standards on the horizon, we should anticipate firms needing remediation and help getting up to speed. In closing, Mike shared appreciation for fellow Coastal staff and the committee members and in turn, the board thanked Mike for the seamless transition for enrolled firms.

Increased Advocacy & Awareness

CPA Board Discussion

Shawana thanked the staff and members of the NC State Board of CPA Examiners for being present and initiated discussion of the following topics:

- Joint State Board/NCACPA Accounting Education Task: Many boards are looking at the specificity of course topics allowed/accepted to meet the accounting requirements for licensure as the exam moves into new areas, including data analytics. State Board member Jodi Kruse and NCACPA Board member Dr. Kevin James are set to lead the efforts for their respective entities and are seeking approximately six educators to participate in this task force. The group will meet and bring information back to the State Board for a determination regarding accounting education requirements for licensure in NC.

Those in attendance were asked for additional topics to be considered and a concern that the new exam will drive a path towards public accounting was expressed. Additional input was provided by Yvonne Hinson, Dr. Lisa Owens-Jackson ("Dr. OJ"), Dr. James, along with many additional board members (how to educate smaller firms, CPE on data analytics, utilization of data analytics in business practice, and involving the Innovation & Emerging Trends Resource Group).

- Demographic Data: A discussion ensued regarding how data might be collected on candidates who begin sitting for the exam but do not complete all four sections. Both boards acknowledged they have a vested interest in ensuring there is a vibrant pool of CPA candidates. Dr. OJ recommended we identify the problem before creating added resources to ensure the need is being met. Once the problem(s) is(are) identified, a recommendation was made to create a joint task force to determine how best to design a program to support students. A commitment was made by David Nance on behalf of the State Board to work collaboratively with NCACPA on this issue.

Enhanced Engagement

NC A&T State University Students and Faculty Panel Presentations

Dr. James provided opening remarks and each of the six students introduced themselves (3 senior accounting majors and 3 MACC students). Dr. James shared more on the intersection of being on an HBCU campus and the declining accounting enrollments (occurring while other departments in the business school and on campus are increasing). Additionally, he shared insight on 3 key points:

- Do racially underrepresented high school students see a place for themselves in accounting?
- Can we address the pipeline issues without increasing underrepresented groups?
- 64% of Gen Y and 83% of Gen Z consider a company's purpose and social/environmental values in determining whether to accept a job.

A strategic advantage exists in our state due to our strong network of HBCUs and SMIs. North Carolina has the greatest number of HBCU and SMI students of any other state and based on student enrollments, NC A&T is the largest HBCU in the country. The success of black students increases due to the highly inclusive and supportive environment of an HCBU. Bringing these students into the accounting pipeline is critical to the future of the profession.

Shawana thanked Dr. James for his presentation and facilitated a panel discussion of six extremely impressive accounting students. The students discussed how they became interested in accounting, why they are pursuing the CPA designation, and some of the challenges related to the profession. Notes of the students' comments can be found at the end of the meeting minutes (Appendix A).

NC A&T State University's Center for Accounting Diversity — Dr. Kecia Williams Smith, CPA, Director of the Master of Accountancy Program, and Director of Center for Accounting Diversity

Dr. Kecia Williams Smith, CPA, presented information on the Center for Accounting Diversity ("Center") and shared its mission. The Center addresses systemic and institutional barriers hindering the success of diverse accounting students and professionals. She also briefly reflected on history of underrepresented individuals within the accounting profession and transitioned to NC A&T's history of producing high-quality accounting students. Dr. Kecia examined the three pillars of the Center, shared the progress made since June 2021, and showed the intersection points with NCACPA's strategic map:

The Center's 3 Pillars	Actions	Relationship to NCACPA's Strategic Map
Research	Produce and promote high-quality academic research around diversity in the profession <ul style="list-style-type: none"> Sponsor research related to student success, barriers to diversity and inclusion in the profession, and instructional design and best practices 	Governance & Operational Effectiveness
Resources	Provide instructional resources and professional development to HBCU and SMI faculty members <ul style="list-style-type: none"> HBCU faculty roundtables 	Enhanced Engagement, Highly Valued Professional Development
Recruitment	Increase student interest in pursuing the accounting major, entering the account professional, and gaining the CPA credential <ul style="list-style-type: none"> Two-year bridge Symposium (designed for two-year students transitioning to a four-year institution) 	Increased Advocacy & Awareness

NC A&T State University's Accounting Education Faculty Session — Dr. Malissa Davis, CPA; Dr. Lisa Owens-Jackson, CPA; Dr. Gwendolyn Highsmith-Quick, CPA; Dr. Kecia Williams Smith, CPA

Dr. Lisa Owens-Jackson introduced the panel of educators and facilitated a discussion concerning current challenges and opportunities for today's accounting educators. The educators discussed leakage in the pipeline, including perceptions of accounting by students, and ideas for how the NCACPA Board can help. A specific request was made for NCACPA to coordinate a meeting of all schools in our state to further discuss some of these issues. Notes of the faculty discussion can be found in Appendix B.

Increased Advocacy & Awareness

Legislative & NC CPA PAC Update — Robert Broome, Director of Advocacy

Robert provided a brief update on recent legislative victories pursued and/or supported by NCACPA, including Session Law 2022-06, which is set to be signed by the Governor this month. In addition, Robert provided a brief update on the PAC's fundraising balance compared to our set goal, with fundraising efforts set to pick-up after-tax season.

Governance & Operational Effectiveness

Treasurer's Discussion — Whitney Gann, CPA

Treasurer Whitney Gann briefly reviewed the positive financial outcome of FY21 due to extraordinary cost-cutting measures and reported we are projecting a break-even outcome for FY22. Whitney acknowledged the break-even position is impacted by the following factors: decreased revenue in both membership and professional development fees; DEI consultant fees; increased professional fees and temporary staffing fees offset by PPP and ERC COVID relief funds.

Approval of the FY23 Budget

Whitney continued her presentation by covering the key highlights of the FY23 budget, notably a nominal increase in membership dues and CPE registration rates. Funds are also earmarked for creative outreach and communication initiatives, a \$50,000 contribution to the Foundation, and an allocation for strategic purposes. Following Q&A, a motion to approve the FY23 budget was unanimously approved.

Recognition of Committees & Staff

Whitney recognized current Investment Committee members for their service and their work on drafting guidelines for investments. Additionally, she thanked Audit Committee members for their work on the oversight of audits of both NCACPA and the NC CPA Foundation. In closing, Whitney thanked Nikki Vann, CPA, Director of Finance & Administration, for her professionalism and preparedness throughout her term as treasurer.

Report from the Chair-Elect — Jose Rodriguez, CPA

Jose Rodriguez expressed his enthusiasm for the year ahead and reviewed the roster for the Board's FY23 Executive Committee: Arleen Thomas as Chair-Elect; Jared Korver as Treasurer; Shawana Hudson Spann as Immediate Past Chair; and Kristin Pappas and Kelly Puryear as at-large members. A motion was made and unanimously approved to accept the recommended 2022-23 Executive Committee roster.

Other Board Responsibilities

Recognition of Outgoing Board Members

Shawana acknowledged and expressed sincere appreciation for the outstanding service of board members with terms ending April 30, 2022. The following officers and directors were recognized: Alex Lehmann, Rob Rowan, Abi Raja, Beth Monaghan, Jared Korver, Arleen Thomas, Treasurer Whitney Gann, and Immediate Past Chair Kelli Knoble. Shawana then took a few minutes to thank the NCACPA staff for their support during her term as chair. Jose Rodriguez congratulated and thanked Shawana for her passion for the profession and her incredible job of leading the board as Chair during the past year.

Other Business

Sharon let the board know they will be receiving a "Board Effectiveness Evaluation Survey" in the coming weeks. Kelli Knoble mentioned the progress of the Strategy Advisory Committee and informed the board they will receive an additional update during the June 2022 meeting.

Adjournment

There being no further business to conduct, Shawana thanked Dr. James for his help in coordinating the meeting on campus and expressed appreciation to everyone for their participation. The meeting was adjourned at 3:15 pm.

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

Appendix A – NC A&T State University Student Panel Notes

- What interested you in accounting?
 - Mother had an accounting degree; encouraged to consider it as a high school student by mom and her coworkers. Another student has a mother who is an accountant.
 - Job stability and salary
 - Versatility of career options
 - Participation in NABA's Accounting Career Awareness Program
 - Career coach encouraged a student to consider accounting
 - Two students want to pursue their PhD
 - Want others to see someone who looks like them in the profession
- What have been some of the challenges you've experienced?
 - Difficulty of coursework; fellow supportive students help push each other
 - Balancing the major with personal life while being a student
 - Networking is a "stretch" for introverts and something you need to be comfortable with
 - Master's program is much more difficult than undergraduate work, plus studying for the exam and internship interviews
 - Stress – having a great cohort is key
- Why do you want to pursue a CPA?
 - Know your WHY
 - It's required for becoming a PhD
 - I want "those 3 letters" after my name
 - It is valuable
 - Knowledge cannot be challenged because I am a black woman
 - Job stability – goal of being in a C-suite position
- Why aren't others considering CPA?
 - High school may not be promoting it/not great education system
 - Not a "glamour job"
 - The profession needs more exposure/lack of awareness about the versatility of the profession
 - Scared of the "unknowns" about accounting
 - May not know about the profession if you don't know someone who has a career in it
 - Not a STEM program
 - Assumption that you must be good in math
 - Better marketing of the profession/involvement in elementary classrooms
- What can NCACPA do for you as a student?
 - Have members available to mentor students about all the options within the career
 - Invite us to more events
 - Mentor!

Appendix B – NC A&T State University Faculty Panel Notes

- Attracting, Recruiting, & Retaining Students: discussion of the leakage in the pipeline.
 - How do other students see accounting?
 - Accounting is too hard. Requires more study time than other courses.
 - Becoming a licensed CPA requires another year of school. Other career options do not require the certification.
 - I'm not good at math.
 - Not interested in reading comprehension.
 - What can the NCACPA Board help with?
 - Change the way you talk about the profession. Accounting supports society. Talk about the breadth and scope of the profession.
 - Connect societal impact = important to Gen Z
 - You might have to do something very different to get their attention (Facebook Live, TikTok, etc.)
 - Communicate the various career options
 - What do you see as major obstacles on the horizon?
 - Faculty: pay inequity between HBCU faculty and larger institutions
 - Salary conversation for starting accounting students. Asking students to work harder than their peers and the market is catching up.
- A&T participates in the ACAP program by NABA. Young Alumni Advisory Council = making short videos about the profession.
- CPA Evolution
- Importance of representation in the "right" conversations. Cannot leave anyone behind.
- Research on how changes in the profession will impact students focused on the majority, missing importance of diversity and inclusion of underrepresented students. Important to look at retention through the lens of DEI to ensure HBCU students are considered in the conversation.
- Ask: Need NCACPA to initiate a meeting of representatives of all schools to come together for these conversations.
- Filling holes in faculty as several senior leaders at A&T are retiring. Discussion around the need to shift the perspective of professors from researchers/publishers to passionate, excellent classroom teachers.
- Reward you get from teaching,