



NCACPA Board of Directors Meeting Minutes September 29, 2021 Shawana Hudson, CPA, MSA, Chair, presiding

Members participating

Shawana Hudson
Kelli Knoble
Whitney Gann
Beth Monaghan
Kevin James

Alex Lehmann
Rob Rowan
Jared Korver
Bryan Swerbinsky
Jeanette Franzel

Kristin Pappas
Kimberly Branch
Abi Raja

Staff participating

Sharon Bryson
Mark Sotichack
Robert Broome

Kelly Cain
Amelia Hodges
Teka Miller-Alston

Nikki Vann
Jackie Asekhauno
Lorrie Gold

Guests

Matt Snow, CEO of Dixon Hughes Goodman LLP and AICPA Board Member
Bob Brooks, Executive Director, NC State Board of CPA Examiners
David Nance, Deputy Director, NC State Board of CPA Examiners
Dave Horne, NCACPA, Legislative Counsel/Lobbyist

Administrative Matters

Call to Order & Introductions

Board Chair Shawana Hudson 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 inquired if there were any comments concerning minutes of the August 12, 2021, board meeting. There were no questions or comments, and a motion was made to accept the minutes as written, and they were unanimously approved.

Strategic Discussions

Enhanced Engagement

AICPA Board Member Visit – Matt Snow, CEO of Dixon Hughes Goodman LLP

Matt Snow began his comments by thanking Sharon and the NCACPA team for doing such a great job of with member outreach and making that a priority. Matt's discussion with the board touched on the following topics:

- **Audit and tax quality** matters continue to get a lot of attention and we are seeing ongoing changes from a regulatory perspective.
- **ESG** (Environmental, Social and Governance) work is a great opportunity for the profession. ESG involvement is important for supply chain, for reporting, and for recruitment. This is an area that can help firms evolve and needs to be a focus as engineering, in addition to various unregulated entities are moving into this space.

- **Pipeline:** [The Illinois State Society Report](#) released earlier in 2021 references underlining causes for the decline in the pipeline to the profession, with the major theme of “time” to become a CPA more of a deterrent than the cost. There needs to be more grassroots outreach to students earlier in college careers, and certainly at the high school level. Experience on top of academics is key and should be considered in creating alternative paths to the profession. There are a multitude of options for students coming out of college the accounting profession must compete with, and accounting salaries for graduates is lagging many other majors. The accounting profession historically has raises of 4-6%, which has created the need for potential market adjustments to increases of up to 10-15%. It was also noted that increases in salaries and fees would and should go together.
- **Diversity, Equity, and Inclusion:** The profession must keep moving in this all-important space. Specifically in North Carolina, we have great talent in under-represented groups, and we need to do a better job of attracting these students to the profession. Publishing data really helps in this area as well, and it was noted NCACPA’s related efforts with the State Board will be valuable.

Board Engagement and Strategic Discussion - Takeaways/Next steps from AICPA Board member visit:

Board discussion on the aforementioned topics included the following themes:

- Engagement in the high schools and possibly middle schools to create greater visibility of the profession, especially given the competition with STEM fields.
- Professional branding and marketing efforts to promote the profession in a more vibrant, high-energy and dynamic light to counter stigmas or traditional beliefs.
- Selling the awareness of total compensation over a career in accounting and not just out of college. Interest in expanding NCACPA’s compensation survey to focus on retention efforts as well
- Transition in the market leaving a void of CPA firms who will do work on tax returns. Sense that rather than providing value there is more focus on quantity/volume as fees have been driven down.
- Efforts to increase the presence of CPAs in government at the state and federal level.
- Leverage the line of communication with AICPA and Matt Snow.
- Hold roundtable meetings with various stakeholders to include firms, educators (UNC system, HBCUs, community colleges), corporate finance partners, etc. to share ideas for actions and collaboration.
- Gather more data about our members to use as a resource on the DEI front.

NCACPA New Online Community Sneak Peak

Teka Miller-Alston discussed enhancements to the *Connect* platform, which is part of a transition to a new partner, Tradewing, that will “go live” on October 20th. Teka noted the decision to transition to a new platform was in response to member feedback requesting enhanced engagement functionality. Teka also confirmed there will be a code of conduct that members will have to accept before using the platform and that posts will be monitored.

Governance & Operational Effectiveness

Identification of Future Board Characteristics & Skills

Kelli Knoble (who also serves on this year’s NCACPA Nominating Committee) led a discussion regarding the diversity of skills of our board, specifically referencing the characteristics and skills that will be necessary in the future.

Feedback included suggestions for possible new skills/characteristics in the following areas:

- Human Resources
- Marketing of the profession and the Association
- Educators, with a specific mention of such at the community college, high school, and middle school level
- Technology

- Continued focus on Business & Industry representation
- There was a reminder that our bylaws allow for flexibility in board size and board member terms
- Lastly, it was noted this year's Nominating Committee roster consists of the following individuals:

Austin Wachter	Nominating Committee Chair & Past NCACPA Chair
Kelli Knoble	NCACPA Immediate Past Chair
Jose Rodriguez	2021-22 NCACPA Chair-Elect
Arleen Thomas	NCACPA Director (22)
Bryan Swerbinsky	NCACPA Director (23)
Dr. Carol Cain	At Large Committee Member
Cheryl De Castro	At Large Committee Member

Treasurer's Update

Audit Report

Treasurer Whitney Gann congratulated Nikki Vann and her team for a great audit process this year. Following brief discussion, a motion was made to accept the NC Association of CPAs, Inc., and Affiliates Audit Report as presented, which was unanimously approved.

August 2021 Financials

Whitney commented we are on the cusp of a lot of activity as the last quarter is when most of our CPE revenue is recognized. Through August, we are currently trending unfavorably in actual-to-budget from an operations perspective primarily due to a 7.5% underperformance in membership dues and a 15.5% underperformance in professional development programs. It was noted NCACPA staff continues to moderate its expenses in areas including travel and training. Lastly, not reflected in the statement of activities is approximately \$800,000 in COVID relief.

Monitoring Report & Analysis (KPIs, ERC, & PPP)

Nikki Vann reported that in response to COVID, in the last fiscal year NCACPA was able to put in timely cost saving measures. As a result, management created KPIs to monitor different tiers of cost-saving measures. Based on the KPIs and even with underperformance in membership dues and learning programs, it was noted NCACPA is still well within tier one of its cost saving measures, which is comprised of COVID relief benefits. Management will continue to monitor results closely over the coming months for any change in this position.

Membership Dues Proposed Pricing Strategy

Teka Miller-Alston shared management's proposed pricing strategy to continue implementation of its annual 2-3% increase for dues into FY 2023. Teka indicated rationale for this proposal centers on NCACPA's past pricing study, peer state CPA society decisions, and increased enhancements to the member value proposition. Board members noted their appreciation of this information and registered no issues with the proposal. Teka noted a vote will occur on this increase during the February 2022 Executive Committee meeting whereby the FY23 budget will be approved.

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 1:15 pm.

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