



MINUTES  
2018-19 & 2019-20 JOINT EXECUTIVE BOARD MEETING  
APRIL 26-27, 2019  
THE BLACKSTONE; CHICAGO, IL

**2018-2019 MEMBERS PRESENT**

Stephen Parker, Chairman  
Lei Testa, Chairman-elect  
Jim Oliver, Immediate Past Chairman  
Ben Simiskey, Treasurer  
Billy Kelley, Treasurer-elect  
Bill Schneider, Secretary  
Edie Cogdell  
Jason Freeman  
Julia Hayes  
Michele Heyman  
Joshua LeBlanc  
Angela Ragan  
Priscilla Soto  
Jodi Ann Ray, President/CEO

**2018-2019 MEMBERS EXCUSED**

Tom DeGeorgio  
Susan Roberts

**2019-20 MEMBERS PRESENT**

Jerry D. Spence, Jr., Chairman-elect elect, TXCPA Corpus Christi  
Mark Goldman, Secretary-elect, TXCPA San Antonio  
Mohan Kuruvilla, 2019-20 elected member, TXCPA Houston (via phone)  
Tram Le, 2019-20 appointed member, TXCPA Houston  
Tim Pike, 2019-20 elected member, TXCPA Dallas  
Kate Rhoden, 2019-20 appointed member, TXCPA Austin

**SPECIAL GUESTS**

Elizabeth Anderson, College Student & Faculty Specialist, Illinois CPA Society (Saturday)  
Shannon Kelly, Membership Coordinator, Louisiana Society of CPAs (Saturday)  
Jim Gossett, Partner, Howe & Hutton, Ltd. (Friday)

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**CHAPTER GUESTS**

Beverly Longoria, Executive Director, TXCPA El Paso  
Jennifer Brown, Chapter President-elect, TXCPA Austin  
Kristy Holmes-Hetzel, Chapter President, TXCPA Austin  
Diane Joiner, Executive Director, TXCPA Austin  
Arturo Machado, Chapter President, TXCPA San Antonio

**TXCPA STAFF PRESENT**

Steve Phillips, Chief Financial Officer  
John Sharbaugh, Managing Director, Governmental Affairs  
Melinda Bentley, Director, Marketing & Communications  
Holly McCauley, Manager, Governance and Executive Operations

**I. CALL TO ORDER**

Chairman Stephen Parker called the Executive Board (EB) meeting to order at 10:15am and welcomed everyone to Chicago.

**II. QUORUM CALL**

Bill Schneider, Secretary, declared a quorum present.

**III. INTRODUCTIONS**

Mr. Parker welcomed guests and staff and had each introduce themselves briefly.

**IV. TREASURER'S REPORT**

Ben Simiskey, Treasurer, gave an overview of the items to be highlighted in the Financials and the presentation of the 2019-20 budget.

Steve Phillips, TXCPA CFO, reported on the financial statements for the month ending March 31, 2019. The Society had a year-to-date net revenue of \$742,096. The CPE Foundation ("Foundation") had a year-to-date net revenue of \$54,243. He reviewed the year-end projection for 2018-19 for the Society and Foundation.

Billy Kelley, Treasurer-elect, reviewed the 2019-20 budget process and the tenets that were established to help guide the budget development process and ensure that TXCPA is demonstrating its fiduciary responsibility to its members.

Mr. Kelley presented the 2019-20 Society budget summary. He reviewed the one capital budget item – an app for the Society. He also reviewed new investments, program modifications and highlights from the

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2019-20 proposed budget. Mr. Phillips presented the proposed Society budget for the year ending in May 31, 2020. The proposed budget is a net revenue of \$200,897 and an unrestricted fund balance of 70% of net operating expenses.

Mr. Kelley presented the CPE Foundation budget summary and revenue and expense highlights from the 2019-20 draft budget. Mr. Phillips presented the proposed CPE Foundation budget for the year ending in May 31, 2020. The proposed budget is a net expense (\$112,231) and an unrestricted fund balance of 41%.

The following motion was made by Jim Oliver and seconded by Edie Cogdell.

**Motion:**

**The Executive Board approves the 2019-20 operating budgets for TXCPA, the CPE Foundation and the capital budget to be presented to the 2019-20 Board of Directors for approval at the 2019 Annual Meeting in New Orleans.**

- **Motion approved with none opposed.**

V. **GOVERNANCE OVERVIEW**

President and CEO, Jodi Ann Ray, introduced Jim Gossett, Partner with Howe & Hutton, Ltd. Mr. Gossett discussed best practices in governance, governing documents of associations, board responsibilities, chapters - including articles of incorporation and affiliation agreements, and group federal tax income exemption. Incorporation for chapters, affiliation agreements and annual reports from chapters is recommended as a best practice.

VI. **EXECUTIVE SESSION**

Current executive board members went into executive session at 12:15pm.

The following motion was made by Jim Oliver and seconded by Edie Cogdell.

**Motion:**

**To amend the budget for updated compensation amounts approved by compensation committee.**

- **Motion approved with none opposed**

***The meeting recessed until Saturday, April 27, 2019.***

***The meeting reconvened at 8:35am on Saturday, April 27, 2019.***

VII. **GOVERNMENT AFFAIRS UPDATE**

John Sharbaugh, Managing Director, Governmental Affairs, presented an update on

Sunset Legislation on the TSBPA, vendor monitoring software bill, nonprofit disclosure requirements, anti-trust concerns for licensing boards, religious liberty for occupational license holders, and *Wayfair* legislation.

Over 9,500 bills and resolutions have been introduced this session. Typically about 20% are passed. TXCPA is racking around 145 bills this session. The regular session of the legislature ends May 27, 2019.

Major issues in the current session include: School funding; Property tax relief; Tax swap – increase sales tax to lower property taxes; and the budget.

#### VIII. CHAPTER TASK FORCE UPDATE

Ms. Ray provided an update on the Chapter Task Force. She reviewed current projects and programs the task force is working on or has implemented. Projects include: committee management tool; nested career centers, development of a robust member referral system; development of a chapter leader portal; expansion of chapter leader training and creation of a chapter affiliation agreement.

Executive Board members discussed the chapter affiliation agreement more. It is important that the intention of the agreement is communicated effectively back to the chapters. Staff will continue working on the agreement based on the feedback.

The Chapter Coordinating Steering Committee's charge will be realigned to include the charge of the Chapter Task Force in 2019-20. This will help create an ongoing committee focused on chapter resources, communication, alignment and chapter health.

#### IX. DISCUSSION REGARDING STUDENTS, CANDIDATES AND EDUCATORS

Ms. Ray led an overview of student and faculty statistics, initiatives and programs. She then introduced Shannon Kelly, Membership Coordinator, Louisiana Society of CPAs. Ms. Kelly shared her experience at LCPA as the membership coordinator and her work with student members.

Next Ms. Ray introduced Elizabeth Anderson, College Student & Faculty Specialist, Illinois CPA Society. Ms. Anderson provided an overview of their student ambassador program, their accounting education scholarships and one of their programs focused on student members from smaller campuses.

#### X. BRANDING UPDATE AND NEXT STEPS

Melinda Bentley, Director, Marketing and Communications, provided an update on the branding implementation. The website for [tscpa.org](http://tscpa.org) and society-managed chapter websites have been refreshed with the new brand. Resources have been shared with all chapters to assist them in their brand refresh.

Next steps to help extend the brand to promote CPAs to the public will include

resources to help members and chapters promote the profession to build awareness such as downloadable documents, images for social/web, PPT decks, etc.

Ms. Bentley shared an overview of the communications and content strategy. TXCPA is moving to more personalized communication that is content/topic focused rather than channel focused. Staff is working to streamline communications to send more meaningful communications and will develop non-member communications.

## XI. CHAIRMAN'S REPORT

The consent agenda included the following items:

- Minutes from the January 28, 2019 EB meeting
- TXCPA Houston Bylaws
- Termination from TXCPA membership for Harish Dand
- Suspension from TXCPA membership for Phillip Baker, Patricia Lovejoy-Cazobon, Richard Rosenberg, John Tobin, and Robert White
- Approval of requests for excused absences from the 2019 Annual Meeting and Board of Directors Meeting for: Tim Adler (Houston)
- Review of Action Item List – January 28, 2019 EB Meeting

The following motion was made by Angela Ragan and seconded by Lei Testa.

### **Motion:**

**The Executive Board approves consent agenda as presented.**

- **Motion approved with none opposed**

Mr. Parker highlighted the importance of chapter leader calls following the Executive Board meetings. He also recognized those members who will rotate off the Executive Board at the end of May 2019.

## XII. CHAIRMAN-ELECT REPORT

Ms. Testa presented an overview of the AICPA CPA Evolution material . AICPA has asked for state societies to share with their boards and provide feedback by early August. No action was taken at this time. The material will be presented to the Board of Directors in June at the Annual Meeting for feedback.

Ms. Testa reviewed 2019-20 Coordinating Officer assignments and responsibilities. She shared a reminder about the upcoming Leadership Day on May 9 and the 2019 Annual Meeting in June in New Orleans.

**XIII. COORDINATING OFFICER REPORTS**

The following Coordinating Officer reports were made:

- Business and Industry: Priscilla Soto
- CPA Practice Issues: Michele Heyman
- CPE Advisory Board: Lei Testa
- Diversity & Inclusion: Angela Ragan
- Federal Tax Policy: Jason Freeman
- Membership: Billy Kelley
- Nominations: Jim Oliver
- Peer Review: Julia Hayes
- Professional Ethics: Tom DeGeorgio
- Professional Standards: Bill Schneider
- Relations with Educational Institutes: Edie Cogdell
- Young CPAs and Emerging Professionals: Joshua LeBlanc

**XIV. EXECUTIVE SESSION**

Current Executive Board members went into executive session at 12:15pm.

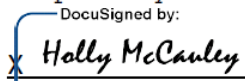
**XV. ADJOURNMENT**

There being no further business, the meeting was adjourned at 12:30pm.

**MOTIONS PASSED**

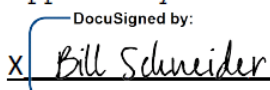
- 1. Approval of the 2019-20 operating budgets for TXCPA, the CPE Foundation and the capital budget to be presented to the 2019-20 Board of Directors for approval at the 2019 Annual Meeting in New Orleans.**
- 2. Approval of the consent agenda as presented.**

Respectfully submitted,

DocuSigned by:  
  
\_\_\_\_\_  
Holly McCauley  
Manager, Governance & Executive Operations

X 8/3/2019  
\_\_\_\_\_  
Date

Approved by:

DocuSigned by:  
  
\_\_\_\_\_  
Bill Schneider  
2018-2019 Secretary, TXCPA

X 8/3/2019  
\_\_\_\_\_  
Date