



GOVERNANCE STRUCTURE PROPOSAL

To be presented for discussion and a vote of the TXCPA Board of Directors:

Wednesday, January 25, 2023

Volunteer Group(s) Responsible:

Governance Committee and Bylaws Task Force

Governance Committee:

Stephen Parker, Houston, Chair

Allyson Baumeister, Fort Worth

Christi Mondrik, Austin

Jim Oliver, San Antonio

Angela Ragan, Central Texas

Bill Schneider, Dallas

Jerry Spence, Corpus Christi

Lei Testa, Fort Worth

Strategic Plan Goal and Objective:

Goal One: Organize the Society's governance and chapter affiliations to design an adaptable and unified structure that will act as a catalyst for growth and strengthening operations.

Objective Three: Clarify the fiduciary and advisory roles and responsibilities between the Executive Board and Board of Directors to enable governance to be adaptive and proactive.

[View all TXCPA Strategic Plan goals and objectives.](#)

Communications to Date:

- January 2022: Board of Directors participated in roundtable discussions at 2022 Midyear Board meeting.
- April 2022: Executive Board participated in a discussion about governance model options.
- July 2022: Board of Directors received a presentation on the work done to date and initial proposal. Questions were collected for review by the Governance Committee.
- August 2022: Executive Board members heard an update on the work of the Governance Committee and reviewed questions and feedback from the Board of Directors meeting.
- November 2022: Proposal was approved by the Executive Board and shared on the Chapter Leader Call.
- December 2022: Virtual pre-board meeting hosted by for members of the Board of Directors. [Recording and materials archived](#) and shared with board members via email.



Background:

TXCPA's Strategic Plan was developed in 2020 with feedback and input from various stakeholders, and then approved by the Executive Board and implemented beginning in 2020-2021. Included in the Strategic Plan is a goal focused on organizational structure, with the intent of evolving TXCPA's structure to allow the association to be agile, adaptable, and responsive to member needs. Specifically, the plan detailed an objective to clarify the roles and responsibilities between the Executive Board and Board of Directors.

The Governance Committee led the work involved in exploring governance structure best practices in associations and recommending changes to TXCPA's structure to meet the objectives and goals outlined in the Strategic Plan.

For more than one year, the committee has spent significant time researching, discussing, and analyzing TXCPA's current structure and identifying the opportunities to evolve to better serve our members and the profession. Preliminary proposals were shared with the Board of Directors and Executive Board for their review and input, and a final draft of the proposal was presented to the Executive Board, Board of Directors, and Chapter Leaders in November in anticipation of a discussion and board vote at the Midyear Board meeting in January.

Proposal:

The Governance Committee recommends the following changes to the Society's current governance structure:

- Expand the current Executive Board to 15-20 members and have it serve as the fiduciary board of the organization and renamed the Board of Directors.
- Rename the current Board of Directors to Leadership Council.
- View the [red-lined proposed changes](#) to roles and responsibilities of the Board of Directors, Leadership Council, and Membership.
- Create a Nominations and Board Development Committee designed to develop and foster a diverse leadership pipeline for the Society. Responsible for nominations of officers, Board of Directors, and Nominations Committee at-large members.
- Change the existing Nominations Committee to a Nominations Council. Responsible for nominations for Leadership Council at large members, Nominations Council at large members, and AICPA Council Members.
- Nominations will continue to be solicited from all members, and members will retain the voting rights to approve all nominations slates.

Questions?

Please [review the FAQ document](#) prepared based on questions submitted to date. Additional feedback and questions on the proposal are encouraged and recommended. Discussion time at the board meeting will be limited by our full agenda. If possible, please send questions or feedback prior to the meeting by contacting Jodi Ann Ray (jray@tx.cpa) or Stephen Parker (stephen.g.parker@pwc.com).