

GEORGIA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS, INC

2009 FALL COUNCIL MEETING

Callaway Gardens Resort, Pine Mountain, GA

November 9, 2009

ATTENDANCE:

Board of Directors:

Colin Blalock
Stewart Carlin
Larry Cohen
Royce Duncan
Denise Grove
Scotty Jones
Michael Levine
Marlan Nichols
Bob Prator
Joe Spradlin
Darrell Thaw
Gary Julian

Chapter Presidents:

Jenny Barber
Pam Clinard
Callaway Dorsey
James Freeman
Richard Hlozek
Jerry Maxwell
Jack Milner
Abbie Gail Parham
Alex Williams
Jennifer Wilson
Ronald Wrenn

Past Presidents:

Ron Bobo
Bill Bomar
Mike Cauley
John Cook
Julian Deal
John Giddens
Sam Johnson
Bob Minnear
Bill Schneider
Harvey Tarpley
Jim Underwood
Mike Verner
Scott Voynich

Council

Members-At-Large:

Rod Adair
Alyssa Belcher
Jennifer Birtz
Walt Bryde
K. Scott Collins
Brad Dickson
Jeff Forrestall
Tom Fuller
Wendy Gates
Jack Green
Kirk Jarrett
Tracy Mathews
Howard Mosby
Terry Parker
Ed Pease
Brad Reeder
Geoff Rhines
Lydia Rosencrants
Brian Rutledge
Emily Sanders
Michael Skinner
Debbie Thaw
Brandon Verner

Chapter Representatives:

Lisa Conti-Bacon
Mary Jo Duffy
Lee Ellen Fields
Chris Miller
Kathy Moffeit
Beth Morrison
Margaret Waldrep

Committee Chairs:

Bonnie Cox
Ron Thomas

Section Chairs:

John Masters
Margaret McConnell
Tim Minster

Section Representatives:

Patrick Hill
Wayne Nix
Ken White
Ben Lee

GSCPA Staff:

Donna Heavener
Deborah Reeder
Don Cook
Jennifer Poff

I. CALL TO ORDER

President Bob Prator called the meeting to order at 9:00 a.m.

II. RECOGNITION OF PAST PRESIDENTS

Past presidents in attendance were recognized.

III. APPROVAL OF MINUTES

A motion was passed to approve the minutes of the 2009 Spring Council meeting as presented.

IV. ELECTION OF NOMINATING COMMITTEE MEMBERS

-Stewart Carlin

Stewart Carlin presented the names for nomination to the Nominating Committee. Ballots were distributed; two past presidents were asked to tally ballots. Stewart reminded members of council to submit their nomination for Leadership Council positions for next year by completing the nomination form.

V. AUDIT COMMITTEE REPORT

- Bonnie Cox

Bonnie Cox, chair of the Audit Committee, presented the audit report. Frazier & Deeter handled the audit for all three entities including the Society, the Insurance Trust and the Educational Foundation. The Society received a clean audit opinion with no material weaknesses. The auditors met with management and the Audit Committee and addressed the new 990. The other two entities also received clean audits.

VI. APPOINTMENT OF AUDIT COMMITTEE MEMBER

- Bob Prator

Bob Prator appointed Ben Lee of Moore, Tiller, Stephens to serve a three year term on the Audit Committee. A motion was made and approved.

VII. TREASURER'S REPORT

- Scotty Jones

Scotty Jones presented the treasurer's report. Revenues are a little weak; cost cutting measures by staff are helping the bottom line. Future revenue projections are also weak. Total assets are just over \$5 million. CPE gross margin is negative \$39,000 variance compared to budget due to cancellation of courses and fewer exhibitors at SEAS. Course attendance seems to be picking up in October. Dues are slightly lower but the year should end on track due to additional new members. Department expenses are \$301,000 compared to budget of \$390,000 and investment income has started to come back; both of these circumstances contributing to an overall positive variance of \$348,000 over budget for the change in net assets. The Society continues to work toward a balance operating budget by the end of the fiscal year.

VIII. CHAIRMAN'S REPORT

-Bob Prator

Bob Prator, chairman, reported that he was enjoying visiting chapters and writing articles for Current Accounts and the newspaper. The budget process will begin shortly. The 2010 Spring Council meeting will be combined with the Annual Convention and held June 13-16 at the Westin in Hilton Head, SC. Bob updated the council members on the recently held strategic planning session facilitated by Harrison Courver. Successful associations of the future will be lead by small competency based boards, an empowered CEO, staff will have industry specific expertise, stay focused on the core members and programs will address these, narrower product lines and internet delivery systems. The Society's strategic plan has four main areas: the CPE market, critically evaluate programs and services, evaluate internet technology, evaluate and define the role of the CEO. Bob asked for nominations for the Meritorious Service Award.

IX. AICPA COUNCIL REPORT

- Bill Schneider

Bill Schneider serves as a member of the AICPA Board of Directors and is the liaison to Georgia. He provided the update on the AICPA Council meeting. The eight elements of the AICPA strategic plan are people, professional excellence and public interest, CPA reputation, advocacy, operational excellence, thought leadership, competition and risk and international opportunities. The accounting graduate pipeline is full: 66,000 accounting majors graduated in 07-08; 29 candidates in the doctoral program. The inaugural AICPA Leadership Academy was held this year. The CPA reputation is as high as ever. AICPA continues to be active on legislative issues in Washington and testified before the House Financial Services Committee on the proposed Consumer Financial Protection Agency. The Private Company Financial Reporting Committee has not resulted in the substantive changes to GAAP that some hoped for. The AICPA will be taking feedback and deciding on the next steps in pursuing differing GAAP for private companies. The AICPA has accepted IFRS as GAAP under the code of conduct which means that you can give a clean opinion on IFRS compliant financial statements.

X. LEGISLATIVE UPDATE

Skin Edge, the GSCPA lobbyist, Representative Howard Mosby and Senator Mitch Seabaugh spoke on the upcoming legislative session, the 2010 elections and the state budget. Skin commended the Society on its legislative presence at the Capital. Mitch Seabaugh asked about clients currently filing returns, taxes and sales taxes electronically. Howard Mosby suggested a CPA day at the Capital during the session. The big issues are the state budget, jobs and education.

XI. NOMINATING COMMITTEE REPORT

- Stewart Carlin

Stewart announced the following members were elected to the Nominating Committee: Jack Milner, Geoff Rhines, and Mike Verner. The committee will begin meeting next month.

XII. CEO REPORT

- Gary Julian

Gary Julian further discussed the Society's strategic plan. The Society will continue to infuse technology into programs, looking at additional web cast opportunities, and expanded social networking. The blog will be expanded to the "House of Blogs" allowing more opportunities for interaction by members.

XIII. EDUCATIONAL FOUNDATION REPORT

-Tom Fuller

Tom Fuller reported the bad news is that the value of the funds is down, but the good news is that great things are being done with limited funding. The Student Outreach Committee has served 17 schools with the Cash for Professional Awareness program. The Investment Committee has made no changes to the investment strategy. Scholarships will be given this year, but less will be given due to the loss in investments. The Annual Fund Campaign continues to raise funds; a new logo was created – "Invest in the Next Generation of CPAs"; the website has been updated, contributions can now be made online and a new web address was created for the Foundation – www.foundation.gscpa.org.

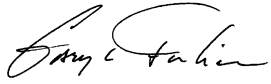
XIV. OPEN FORUM

Jim Underwood presented a check to the Society from the Georgia Federal Tax Conference. Michael Levine informed members that the 2010 Leadership Academy class will be accepting nominations. Tim Minster announced that the CPAs in Industry section are recruiting new members and looking to get over 1,000.

XV. AJOURNMENT

The Council adjourned at 1:30 p.m.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Gary L. Julian".

Gary L. Julian, Secretary