

**THE GEORGIA SOCIETY OF CPAS
2014 Fall Leadership Council Meeting**

*Chateau Elan, Braselton, GA
November 10, 2014*

Board of Directors:

Amanda Carman
Rodney Chandler
Karen Drescher
Barbara Evans
Lee Ellen Fields
James Freeman
J. Lowell Mooney
Terry Parker
Boyd Search
Darrell Thaw
Brandon Verner

Past Presidents/Chairs:

Colin Blalock
Stewart Carlin
Mike Cauley
John Cook
Julian Deal
Royce Duncan
John Giddens
Paula Mooney
Denise Mummert
Marlan Nichols
Allen Poole
Bob Prator
Harvey Tarpley
Jim Underwood
Bobby Whitmire

Committee Chair:

Kay Proctor

Chapter Presidents:

Sarah Cavender
Erica Chestnutt
Margaret Creasy
Francis Durban Jackson
Kathryn Fletcher
David Geer
G. Tom Harrison, Jr.
Patrick McNabb
Jack Milner
Craig Moye
Kathy Schoendorf
Bobby Smith
James E. Warren, Jr.

Chapter Representative:

Janet Payne Brown
J.D. Hunt
Mark Johnson
Beth Morrison
Ellen Sweatt

GSCPA Members:

Abriel Davis

GSCPA Staff:

Don Cook
Elizabeth Cook
Callie Hammond
Jessica Mytrohovich
Jennifer Poff
Greg Wilder
Calvin Wong

Council Members at Large:

Cromwell Baun
Larry Cohen
Scott Collins
Andrea Comeau-Shirley
Lisa Conti-Bacon
Adrienne Davis
Mark Dawkins
Laurie Dyke
Darla Eden
Jodi Feeley
Denise Grove
Shawn Hale
Bill Harshman
Carlton Hodges
Clay Huffman
Bo Jackson
Tim Lyons
John Masters
Holly McDowell
Martha Merritt
Gina Miller
Howard Mosby
Denise O'Connell
Paul Oddo
Joel Pascaner
Rose Patti
David Pettigrew
Anita Pittman
Geoff Rhines
Donnie Roland
Paula Sands
Mike Skinner
Beverly Smith
Dwight Sneathen
Joe Spradlin
Debbie Thaw
James Underwood
David Wilkerson

I. Call to Order

Terry Parker, chair, called the meeting to order at 9 a.m.

II. National Anthem

III. Invocation

Marlan Nichols led the group in the invocation.

IV. Recognition of Past Presidents/ Chairs

Terry Parker recognized past presidents and chairs of the Society in attendance.

V. Approval of Minutes

A motion was made and approved to accept the minutes from the 2014 Spring Leadership Council meeting as presented.

VI. Nominating Committee

Darrell Thaw, chair of the Nominating Committee, presented the slate of potential committee members to be elected. The Council members were asked to vote and then Mike Skinner and Greg Wilder assisted Mr. Thaw with tallying the votes.

VII. Audit Committee Report

Kay Proctor, chair of the Audit Committee, delivered the Audit Committee Report. The audited financial statements for The Educational Foundation, Group Insurance Trust and GSCPA have been approved. There is an unmodified opinion on all financial statements. Internal controls and audit risks that were identified will be discussed with Boyd Search and Jessica Mytrohovich. The Council received the Audit Committee report as presented.

VIII. Audit Committee Nomination

Terry Parker nominated Chris Miller to serve on the Audit Committee. The Leadership Council voted and approved Chris Miller as the new Audit Committee member to serve a three year term.

IX. AICPA Council Report

Colin Blalock provided the report. The AICPA Council meeting focused on the Future of Learning initiatives, Enhanced Audit Quality initiatives, changes to the CPA exam and changes to the CGMA credential. The keynote speaker for the meeting talked about the innovation in today's society. The AICPA recently instituted a not for profit section that allows for non-CPA members to join the AICPA. CGMA credential will require candidates to take an exam after January 1, 2015. Currently, members who pursued the credential just needed to meet certain criteria and work as consultant for at least 3 years.

X. GSCPA PAC Update

Royce Duncan, chair of the PAC Committee, presented the update. He recognized and thanked PAC committee members Jack Hawkins, Donnie Roland, Lee Ellen Fields, Terry Parker, Darrell Thaw and Lowell Mooney. The goals of the committee have been and will continue to be utilizing financial resources to support candidates, moving the Georgia State Board of Accountancy to the State Accounting Office, increasing vitality of Key Person Program and increasing participation at CPA Day at the Gold Dome.

This year, GSCPA invested \$43K in campaign contributions. In the primary elections, we supported 17 of the winning candidates with a 94% success ratio in contributions versus reelection. GSCPA organized two fundraisers - one for the Governor in May and another to recognize CPA legislators in October.

The Key Person Program currently has over 2/3 of positions filled. Council members were encouraged to view the information on the tables.

The 2014 CPA Day at the Gold Dome had 200 people registered, but was canceled due to inclement weather. The next CPA Day at the Gold Dome will be held January 29, 2015.

In order to meet future goals, GSCPA PAC will need to raise approximately \$70-80K going forward.

The Leadership Council Meeting temporarily recessed for The Educational Foundation meeting.

XI. The Educational Foundation Report

Scott Collins presented The Educational Foundation report. The Foundation currently has over \$2 million dollars in investments and cash; however, more donations are always needed. Mr. Collins encouraged everyone to consider planned giving to the Foundation. On the endowment side, \$7-8K dollars of promised donations were not collected.

Anita Pittman asked everyone to donate to the Annual Giving Campaign. The goal for the campaign is \$25K.

Stewart Carlin asked everyone to Save the Date for the 2015 Educational Foundation Golf Tournament in May. The tournament has raised almost \$40K for the Foundation in two years. The goal for 2015 is \$30K. Mr. Carlin thanked the task force for their efforts in putting the tournament together.

The Educational Foundation has budgeted \$103K for scholarships, \$176K for chapter scholarships, \$3K for GAEE and \$8K for CPA initiative program.

The Foundation did a strategic planning session this year led by Boyd Search. Six themes came out of retreat with the focus on the future of the Foundation.

The Leadership Council meeting reconvened.

XII. Treasurer's Report

Rodney Chandler reported the Society has moved to the new office building and has a new lease. A line of credit was secured through an investment company to avoid borrowing from reserves when cash flow was needed.

CPE is a changing environment and GSCPA is still working on the best solutions for the future. Currently, GSCPA is \$50K under budget in CPE net margins. There is currently a favorable variance on departmental expenses, however, administrative expenses are unfavorable. GSCPA is working on contingency plans if we can't meet budget by year end. CPE margins compared to previous years look good. We are currently at \$334K which is ahead of the last non reporting year and slightly under the prior reporting year. The primary concern with CPE is seminar attendance.

No significant changes are expected in investments during the current fiscal year.

XIII. GSCPA Group Insurance Trust

Carlton Hodges presented the report. Pritchard & Jerden offers insurance to members and renewal rates are very good this year. The new insurance marketplace is now available offering additional coverage to GSCPA members.

XIV. Chairman's Report

Terry Parker introduced Paul Ziga as the new Executive Director of the State Board of Accountancy. Mr. Parker reminded Council to be supportive of the State Board transition as they are still working through it. New legislation on the Definition of Attest is being reviewed to support the new guidelines in the Uniform Accountancy Act (UAA).

GSCPA recently completed its first Georgia Accounting Food Fight event. The event supported food banks throughout the state by collecting almost 10K pounds of food and \$97K. GSCPA's Millennial Money financial literacy event is happening next week.

The Board of Directors Retreat was in September. The topics of discussion included Diversity and Inclusion, Enhanced Audit Quality Initiative and Future of Learning. The Peer Review Executive Committee responded to the AICPA's Enhanced Audit Quality initiative. Mr. Parker mentioned that he and Boyd Search continue to visit chapters throughout the state.

XV. CEO's Report

Boyd Search invited Paul Ziga to join him for the report. The Georgia State Board of Accountancy recently hired a third staff person. They have been overwhelmed by amount of contact and as of three weeks ago 800 firms have still not renewed their license. Several firms renewed prior to the transition through the Secretary of State's office.

Mr. Ziga mentioned the State Board of Accountancy is currently understaffed so enforcement levels are low; however, enforcement is in the budget and the next staff person will be enforcement person.

Mr. Search showed a video that he used during The Educational Foundation Strategic Planning session to get Council members to think about how business will be affected going forward. The video demonstrated the power of technology and the importance of understanding it, so that it can be leveraged to its fullest extent in the future.

XVI. Update on Nominating Committee

Darrell Thaw reported the following members have been elected to serve on the Nominating Committee - Denise Grove, Marlan Nichols and Carolyn Riticher.

XVII. Annual Convention

Brandon Verner, chair of the Annual Convention Task Force, asked Council members to save the date for the 2015 convention at Sandpearl Resort in Clearwater Beach, Florida on June 21-24, 2015.

XVIII. Open Forum

Jim Underwood presented the Society with a \$4,500 check from the Georgia Federal Tax Conference. Twenty CPAs and attorneys are the trustees are responsible for this two day conference with nationally known speakers.

Council members were reminded to Save the Date for the next Council Meeting on May 3-4, 2015 at Brasstown Valley Resort in Young Harris, Georgia.

XIX. CPE

Jeff Robinson presented on humor in the workplace.

XX. Adjourn

The Council Meeting adjourned 2:30 p.m.

Respectfully Submitted,



Boyd E. Search, CAE
Chief Executive Officer/Secretary