

FEDERATION OF SCHOOLS OF ACCOUNTANCY
Board of Directors Meeting
Minutes of the Meeting on Sunday, February 10, 2008
Charleston Doubletree—Charleston, SC

Present: Bruce Behn, Dan Hollingsworth, Ross Jennings, Gary McGill, Blane Ruschak, Paul Shoemaker, Kathy Schoztic, Mary Stone, Jerry Trapnell, Larry Walther, Casper Wiggins

Guests: Michelle Phillips, Martha Doran, Larry Tunnell

The meeting was called to order by President Bruce Behn at 8:35 a.m.

1. Minutes from the August 5, 2007 meeting were approved.
2. Larry Walther gave the Treasurer's report. Comparative statements of financial position and activities for December 2006 and December 2007 were presented. Larry apprised the Board of the process to secure proper authorization (updated signature form and new corporate seal) to close the CD account at Shore Bank when it matures in July 2008. The funds will be moved to Bank of America or Wachovia at maturity. Larry also noted that the AICPA is negotiating a better fee structure for our checking account given its low level of activity. A budget for 2008 was discussed and approved.
3. Michelle Phillips gave the administrator's report. The Fall 2007 Newsletter has been published and the website has been updated. The notice for the student awards program will be sent within the next few weeks and the Spring 2008 Newsletter is in process. To date, dues have been collected for the following:
 - 100 Full members
 - 11 Accredited affiliate schools
 - 38 Affiliated schools
 - 14 Nonprofit associates
 - 4 Private enterprise associates
4. Kathy Schoztic and Casper Wiggins gave an update on planning for the May 2008 Faculty Consortium. The meeting will be held at the Intercontinental Hotel in Chicago on May 15 and 16. The theme will be "Preparing for International Financial Reporting Standards (IFRS)—Developments and Perspectives." There will be a mix of speakers and some speakers/topics remain to be finalized. Kathy announced that she will be proposing to Deloitte for an additional two years of support for the Faculty Consortium. Bruce noted the next Board meeting will convene on Thursday, May 15 immediately preceding the Faculty Consortium.
5. Martha Doran reported on the 2008 APLG/FSA meeting. The meeting is well attended with over 220 registrants. A final count will be available at the end of the meeting. Bruce announced the following awards to be presented at the opening session of the meeting:
 - Joseph A. Silviso Faculty Merit Award – Tom Schaefer
 - FSA Practitioner Service Award – Kathy Schoztic

Mark Chain/FSA Innovation in Graduate Teaching Award – (plaque was given to Mark in recognition of this new award).

6. Mary Stone reported on the work of the FSA/AAA Valuation Subcommittee. The purpose of the subcommittee is to identify core skills necessary for fair value accounting and to identify/develop materials for assimilation into accounting classes. Firms were solicited for input. It is believed that some materials are available through the AICPA and the American Appraisal Society. Cases and vignettes may be developed. Mary requested suggestions for dissemination of the materials. Using the APLG/FSA meeting, the Auditing Mid-Year meeting, or CPE sessions at the AAA annual meeting might be viable venues. Bruce questioned whether the FSA should sponsor a case development program. Mary believes we first need to decide which areas (investments, business combinations, etc.) to focus on before deciding on development processes. The subcommittee is comprised of the following individuals:

- Mary Stone, Chair (Alabama)
- Ross Jennings (Texas)
- Inder Khurana (Missouri)
- Rebecca Shortridge (Northern Illinois)
- Earl Stice (BYU)
- Bob Swieringa (Cornell)

7. Dan Hollingsworth presented the following slate of nominees for election to office:
 - President – Casper Wiggins
 - President-elect – Paul Shoemaker
 - Secretary – Gary McGill
 - Treasurer – Larry Walther
 - Board member – Fred Mittelstaedt (Notre Dame)
 - Board member – Martha Doran (San Diego State)

Continuing board members will be Blane Ruschak, Kathy Schozitic, Mary Stone, Jerry Trapnell, and Bruce Behn (past president).

8. Michelle Phillips reported on the election process. The first electronic voting was completed in 2007. There were 104 eligible constituents and 50 voted. The Spring Newsletter was used to provide the required 45 day advance notice to vote.
9. Bruce expressed concerns about the FSA bylaws allowing for one person to call a vote to convene a meeting and enforcement of the meeting requires only a 25 percent affirmative vote. With the changes in election timetable and the implementation of electronic voting, there was no longer a need for an annual meeting at the joint APLG/FSA meeting. However, we still want our FSA membership to have the ability to request a forum to express their views, concerns etc. in a public setting. Thus, if any one of our member schools would like to request a meeting, we (the Board) will send notices to all member schools to vote on having a meeting at the AAA annual meeting. If 25 percent of the member schools vote in favor of this resolution, the current FSA president will schedule a meeting at the following AAA annual meeting.

10. Jerry Trapnell reported on the U.S. Treasury Department's inquiries into the auditing profession. Jerry and Bruce traveled to Washington DC on January 16, 2008 to give testimony before congressional subcommittees. Jerry testified about accreditation—the need for guidelines, not a list of courses. Bruce testified about the supply chain of qualified auditors. Other testimonies included Gary Previts (human resource concerns) and Doyle Williams (accounting education—Education Change Commission and White Paper). Anyone interested can go to the U.S. Treasury Department web site to review the testimony. Jerry indicated he is not sure what Congress is looking for but it may make up to ten suggestions to improve the auditing profession.
11. Bill Gradison (PCAOB) notified Bruce that the PCAOB has money collected from fines (SOX 109) to be used for merit scholarships. The PCAOB may want an organization to award the scholarships. Larry suggested that this is not congruent with the FSA's mission and cautioned that we need to remain independent. Jerry suggested that a joint committee with participation from the AAA, AICPA, FSA, and APLG be formed for this purpose whose sole mission is the awarding of scholarships. Kathy added that scholarships also should be provided for Ph.D. student support. The consensus of the board was to proceed with Jerry and Kathy's suggestions.
12. Bruce reported on doctoral program information gathering. He reported that some information is already online but questioned whether we can better (more efficiently) provide information on doctoral programs. Bruce noted that there is no central depository for information gathering. Jerry indicated that the AACSB has data availability and the infrastructure in place for reporting for 1,000 member schools. This might be a place to collect and report this information. Kevin Stocks has collected data on doctoral programs for BYU's pre-doctoral students. He will report the results at a session during the APLG/FSA meeting.
13. Bruce questioned whether the FSA should respond as an organization to the International Accounting Education Standards Board (IAESB) Exposure Draft. The consensus of the Board was to wait until the position is more fully developed before drafting an organizational response. We will likely revisit this topic at our May 2008 meeting.
14. Jerry reported that the NASBA initiative on accounting education requirements is silent for now. He also reported that assessment (assurance of learning) is here to stay for AACSB accreditation. Schools are now expected to track assessment and “close the loop”—goals and objectives—data collection—assessment—improvement and changes.

The meeting was adjourned at 11:00 a.m.

Respectfully submitted,

Paul Shoemaker