

FEDERATION OF SCHOOLS OF ACCOUNTANCY
BOARD OF DIRECTORS MEETING
MINUTES OF MEETING ON SUNDAY, AUGUST 7, 2005
HILTON HOTEL, VAN NESS ROOM – SAN FRANCISCO, CALIFORNIA

Board Members: Bruce Behn, Jim Benjamin, Greg Carnes, David Donnelly, Andy Judd,
Blane Ruschak, Kathleen Shoztic, Jerry Trapnell

Guests: Dan Hollingworth, Tom Linsmeier, Casper Wiggins, John
Wilguess, Bea Sanders, Zoe Cheung

The meeting was called to order at 2:00 p.m. by Andy Judd.

Minutes

Andy Judd passed out the minutes of the last board meeting. The minutes of the May 19, 2005 Board Meeting were approved. Andy (and Bruce) thanked Greg Carnes for taking the minutes at the board meeting in Chicago.

Financial Review

Tom Schaefer (Treasurer) could not attend the AAA annual meeting so Andy Judd presented and briefly reviewed the audited financial statements. Andy mentioned that J.H. Cohen provides an audit for the FSA free of charge as a service to the AICPA. Blane Ruschak (KPMG) raised a question regarding footnote 3 which related to the payment to the AICPA. Andy and Bee Sanders (AICPA) were going to follow up on Blane's question and get back with him and the Board.

Joint Meeting with APLG

Greg Carnes noted that the joint APLG/FSA meeting was a great success and that both organizations are looking forward to another joint meeting this coming February. Greg noted that the meeting made a small profit that was going to be placed into a reserve account to cover potential unexpected costs at the next meeting. All representatives (APLG, FSA, KPMG, and Deloitte) all agreed that this was the best course of action. Greg also noted that an effort was made to help reimburse APLG for some of the administration costs incurred, however, APLG, while thankful, stated that this was not necessary. It was also noted that at the joint FSA/APLG reception that both organizations will be giving out awards this year. Andy Judd stated that Tim Fogerty from Case Western Reserve University will be the FSA chair for the joint FSA/APLG annual meeting in San Antonio, TX in February 2006. A brief discussion followed regarding other sites for upcoming joint APLG/FSA meetings. Andy will get in touch with the current APLG president to discuss possibilities.

AICPA Liaison

Bea Sanders introduced Zoe Cheung as the new AICPA liaison with the FSA. Zoe will be the administrator for the FSA. She will spend between 40-50% of her time with FSA and the remaining time on Beta Alpha Psi. Bea pointed out that there should be significant synergies attained because of similar activities occurring in both organizations. Her experience with Beta Alpha Psi will help a lot. Bea thanked Cecilia LoChin for her service.

Officer Changes

Greg Carnes, current FSA president elect, recently accepted the job as dean of a non-FSA affiliated school. Therefore according to FSA bylaws, Greg can no longer serve as an officer and/or board member of the FSA. Greg will be missed. Both Jim Benjamin and Andy Judd thanked Greg for all of his wonderful service to the FSA organization.

Due to this vacancy Jim Benjamin started the process immediately to find a replacement for Greg as president elect. Jim Benjamin was excited to announce that Dan Hollingsworth (Mississippi State University) has agreed (if elected) to serve in this capacity. This situation and the new joint APLG/FSA meeting have created process issues (i.e., including elections and business meeting) the FSA board needs to address.

Election Process and Annual Meeting Proposed Changes

Andy Judd pointed out that under our current Bylaws (Section 3.D. and 4.F.) the Board is to appoint individuals to replace those who cannot complete their terms and that the nominations for individuals under consideration for succession to terms that "normally" end be presented to the membership at least 45 days prior to the annual meeting. The second provision creates an undesirable timing issue for our new joint meeting format with the APLG. Specifically, if the membership waits until February to appoint a new President-Elect, there is little time for that individual to effectively plan and coordinate the May Deloitte/FSA Faculty Consortium. Ideally, this transition should take place prior to the beginning of the academic year so that substantially all planning can be completed by the time of the annual meeting to allow announcement and promotion of this event.

Andy Judd recommended to the Board the following bylaws changes (i.e., which can either be made by a formal bylaws committee or any member of the organization - Section 9):

1. Change the terms of Officers and Board members to begin at the conclusion of the AAA Annual Meeting, and
2. Allow for electronic voting to facilitate a vote by the membership at a time other than the regularly scheduled annual meeting.

While the Board agrees unanimously with these proposed bylaw changes, these changes cannot be voted on until the current "official" FSA annual meeting in San Antonio, Texas in 2006.

Proposed Timeline for Bylaw Changes and Officer Terms

February, 12 – 14 APLG/FSA Joint Meeting (FSA Annual Meeting)

Membership will vote on proposed bylaw changes and electing Dan Hollingsworth as president elect. Dan will then serve, if elected, as president elect until the August 2006 AAA meeting in Washington D.C. All other officers will serve out their terms until the August 2006 AAA meeting in Washington.

August, 6 – 9 AAA Annual Meeting (Washington, D.C.)

Membership will vote for new slate of FSA officers and board members. Their new terms, if elected, would begin at the conclusion of AAA annual meeting.

At the AAA annual meeting, the proposed slate of nominees to be voted on is as follows:

Dan Hollingsworth of Mississippi State to serve as President

Bruce Behn of Tennessee to serve as President Elect (succeeding Dan Hollingsworth).

Paul Shoemaker of Nebraska to serve as Secretary (succeeding Bruce Behn).

Casper Wiggins of North Carolina-Charlotte to serve as Treasurer (succeeding Tom Schaefer).

Ross Jennings of Texas to serve as a Board member in Ruth Epps' current position.

Tom Linsmeier of Michigan State as a Board member in David Donnelly's current position.

John Wilguss of Oklahoma State as a Board member in Don Deis' current position.

A discussion ensued regarding electronic voting. It was noted that Debbie Gardner of the AAA is using electronic voting for AAA elections and would be a good contact person. Zoe (AICPA) stated she will also look into what the AICPA possibilities there are with electronic voting. Andy will follow up with Zoe and Debbie regarding electronic voting possibilities.

Andy again thanked everyone for their input into this discussion and most of all, thanks to Greg for his outstanding past service to the FSA and best wishes for success in his future position!!

2006 Deloitte/FSA Faculty Consortium

Based on the timeline for elections and officer terms, it was decided that Bruce Behn and Dan Hollingsworth would co-chair the upcoming FSA consortium (May 2006), along with Kathy Shoztic (Deloitte). Kathy is going to schedule a conference call in early September

with Bill Platt, Mark Chain, Bruce Behn, and Dan Hollingsworth to start the organizational process. Kathy mentioned that if anyone had any outstanding speakers or interesting topics of interest please let her know.

NASBA Proposal

Jerry Trapnell stated that he and Jane Mutchler, and Jan Williams have traveled to Nashville to talk with various representatives of NASBA. Jerry stated that they had a good discussion, but no official positions were taken at this time regarding whether or not NASBA would drop their current proposal. Jerry wanted to thank Phil Reckers for bringing this to the attention of the FSA and AAA members. Greg Carnes distributed the current draft of the document. After a brief discussion and with a few minor modifications, the board unanimously approved the wording and authorized Greg to send this to NASBA on behalf of the FSA board.

Other Business

Irv Nelson's request for support in administering another FSA Database Survey was discussed. The general sentiment was that because of the limited number of continuing participants (39) the project's current format would be limited in producing results of general interest to all FSA members. Accordingly, the Board agreed to provide support in the amount of \$2,000 if Irv and his colleagues in the project would agree to the following:

1. Administration of hard copy instruments to the 39 continuing institutions and administration of an electronic version to the remaining FSA member school and APLG member schools.
2. Presentation of a summary of findings to the FSA Board from the results of the surveys administered to both samples.
3. Review and approval of both survey instruments by the FSA Board prior to administration.

Additionally, it was suggested that the AACSB (Dan@aacsb.edu) be contacted regarding possible redundancies that may exist between the proposed survey instrument and data already being collected by the AACSB.

The meeting adjourned at approximately 5:00 p.m.