

**DRAFT Virtual Council Meeting Minutes**

Monday, March 13, 2023

1:00 pm – 5:00 pm

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| **Council Members Attending** |
| **Board of Directors**Mark Taylor, President-ElectRobert Allen, Past PresidentAnne Farrell, Vice President-FinanceBeth Kern, Vice President-EducationNorma Montague, Vice President- Diversity, Equity, and InclusionAnn Dzuranin, Director-Focusing on  Membership Giorgio Gotti, Director-Focusing  on InternationalTim Rupert, Director-Focusing on  SegmentsBette Kozlowski, Director-Focusing on Academic/Practitioner InteractionYvonne Hinson, Chief Executive Officer | **Council Officers**Randal Elder, ChairSidney Askew, Chair-ElectMonte Swain, Past Chair**International Members-at-Large**Cristina Florio (Director-Focusing on International-Elect)Gerlando Lima**Region Representatives**Kang Cheng, Mid-AtlanticJason Stanfield, MidwestKhondkar Karim, NortheastAaron Wilson, Ohio Sandria Stephenson, SoutheastBambi Hora, SouthwestNancy Mangold, Western Alternate | **Section Representatives**Jennifer Reynolds-Moehrle, AAHAlisa Brink, ABODiane Janvrin, AISLeAnn Luna, ATAChad Simon, AUDDana Hollie, DIVBrian Bushee, FARS D. Larry Crumbley, GIWBSuzanne Lowensohn, GNPChris Skousen, IASSharon Lassar, LEADERSHIPCathy Scott, TLC AlternateCarolyn Hughes, TYC |
| **Council Committee Chairs** |
| **Council Advocacy Review Committee**Chris Skousen | **Council Committee on Awards Committee**Diane Janvrin | **Council Ballot Committee**Alisa Brink |
| **AAA Professional Staff & Guests Attending** |
| Stephanie Austin, Senior Director, Publications and Content StrategyErlinda Jones, Senior Director, Meetings and Membership Steve Matzke, Senior Director, External RelationsMichele Morgan, Chief Financial OfficerKaren Osterheld, Senior Director, Center for Advancing Accounting EducationMark VanZorn, Chief Information OfficerShauna Blackburn, Segment Relations ManagerBarbara Gutierrez, Governance Manager | Audrey A. Gramling, President-Elect-ElectMargaret H. Christ, Vice President-Finance-ElectNatalie T. Churyk, Vice President-Education-ElectLinda M. Parsons, Director-Focusing on Membership-ElectEric Bostwick, 2022-2023 Meetings Model Committee Chair |
| **Board & Council Members Unable to Attend** |
| Mark Dawkins, PresidentSarah McVay, Vice President-Research & Publications | Richard Riley, FAShane Dikolli, MASMichele Frank, PIRobert Nehmer, SETCassy Budd, TLCAngela Woodland, Western Region |

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| **Meeting Minutes*****MSC = Motion, Seconded, Carried******MSF = Motion, Seconded, Failed*** |
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| **A. Welcome** – Council Chair Randy Elder welcomed everyone to the meeting and introduced the Presidents, Council Chairs, and welcomed the newly elected AAA Board members. The agenda was reviewed with no questions or comments.***MSC to approve the minutes of the November 12, 2022 Council Meeting.*** |
| **B. Chief Executive Officer Update** – CEO Yvonne Hinson provided an update on AAA membership numbers. Current membership is 6,222 and as of April 1, 2023 new members will be applied to 2023-2024. Last year at the same time, membership was 6,601. The Sustainability, ESG, and Accounting: Implications for the Academy and the Profession Conference held February 17-18, 2023 was sold out and planning has begun on the 2024 conference. There will be an ESG track and DEIB track at the 2023 Annual Meeting. Intensive Data and Analytics Summer Workshop IV will be June 5-9, 2023 in Orlando and will include new sessions on mapping data and analytics courses to data analytics skills and sessions on ChatGPT. Strategies for Success in the Classroom Workshop will be June 21-22, 2023 at Bentley University. This is a new meeting for AAA and open to AAA members this year. King Fahd University of Petroleum & Minerals contacted AAA about co-hosting a conference in Saudi Arabia. The Board approved AAA to continue the conversations about the possible meeting that would take place in November or December 2023. The Inclusive Classroom Series is being developed now with the goal of introducing it and having a session at the Annual Meeting. The AAA started a webinar series in January on increasing the pipeline and the Leadership Section would like to co-host several future webinars on the Pipeline with AAA. Yvonne gave an HR update including the publications editorial work moved to KGL on February 1, 2023, three staff members are retiring by May 1, 2023, and the budget will be adjusted to focus on filling the positions the AAA needs the most right now. Barbee Oakes will attend the June Board Strategy meeting as a consultant. The AICPA changed the name of their 8-point Plan to Draft Pipeline Acceleration Plan (DPAP) and released their report in early January 2023 which came as a surprise to almost everyone. Yvonne had a conversation with Sue Coffey who shared that AICPA will be discussing 120 hours vs 150 hours and whether the AICPA should be suggesting what students should do to earn the extra 30 hours. Many states pushed back against the 8-point Plan. Does AAA need to respond? If yes, should the Council Advocacy Review Committee (CARC) write a position statement, or should the Board, Council or Education Committee respond independently? ***MSC for Council to respond to the AICPA DPAP.***  |
| **C. 2023-2024 Council Chair-Elect Election Overview** – Randy Elder reviewed the roles and responsibilities of the Council Chair position for the 2023-2024 Council Chair-Elect election, thanked the nominees for agreeing to be nominated, and reviewed the names of the nominees and the voting procedure. There are four candidates on the slate: Alisa Brink, Cassy Budd, Bambi Hora and Sandria Stephenson. Voting took place electronically following the Council Meeting.*Following the March 13, 2023, Council Meeting, Alisa Brink was elected as the 2023-2024 Council Chair-Elect.* |
| **D. 2023-2024 AAA Nominations Committee Election Overview** – Randy Elder reviewed the roles and responsibilities of the AAA Nominations Committee for 2023-2024, thanked the nominees for agreeing to be nominated, and reviewed the names of the 13 nominees and the voting procedure. Voting took place electronically following the Council Meeting.*Following the March 13, 2023, Council Meeting, the following members were elected and confirmed their willingness to serve on the 2023-2024 AAA Nominations Committee: Jongwoon (Willie) Choi, Christine Earley, Diana Falsetta, Yvette Lazdowski, and Phil Shane.* |
| **E. Financial Matters**1. Membership Advisory Committee update: Director-Focusing on Membership Ann Dzuranin provided a MembershipAdvisory Committee (MAC) update. The MAC is recommending that AAA keep the dues pricing for 2023-2024 unchanged from this year for all membership categories. MAC projects include looking at departmental and teaching membership categories. The MAC just received the results of the Region dues survey and there is a lot of data to process. The survey asked participants if they would be willing to pay dues for Region membership and the average annual cost the survey respondents reported was approximately $20. Yvonne reported that the data from the Region dues survey will be reviewed and sent to the MAC and the Meetings Model Committee. Beginning with 2023-2024, the Director-Focusing on Membership position (Linda Parsons 2023-2026) will chair the MAC. In May 2022, the Board voted to start a pilot program with Brazil (Tier 3 country) and proposed $75 regular member dues. Now the Board would like Council to vote on the proposed dues. Director-Focusing on International Giorgio Gotti explained that there has been a delay in kicking off the Brazil pilot. The Brazil Accounting Association has departmental memberships so they decided to amend their Bylaws in fall 2022 to include individual memberships in order for their members to become AAA members. The measure passed and they started announcing it in December 2022 but it will take time for their members to join AAA. The AAA would like to extend the pilot program to Africa and India and offer the same Tier 3 country pricing. 2. AAA Finance Committee update: Vice President-Finance Anne Farrell gave an overview of the current financials. The cash balances for FYE 2021-2022 and estimates for February 2023 look good and have bounced back since Covid years. Regarding the General Fund, the net flows are below what we would like in terms of the budget YTD by approximately $150,000 – mainly because of the loss from the 2022 Annual Meeting. The loss was offset due to AAA staff’s efforts to save money at the 2022 Annual Meeting, from net inflows from Publications, as well as staff reductions. The Finance Committee met on March 7, 2023 and reviewed and approved the 2023-2024 phase 1 budget for core operations including membership dues, Annual Meeting registration rates, and journal subscription fees. Council will vote today on the membership dues and the Board will vote tomorrow on the Annual Meeting registration rates, journal subscription fees, hard copy fees, and submission fees for the three AAA-wide journals. During their June Strategy meeting, the Board will discuss the Phase 2 budget and if they vote to approve new strategic investments, the Finance Committee will meet again to review the new investments and those will be incorporated into the budget for 2023-2024. We are predicting an overall negative cash flow of $464,533 for 2023-2024. Print publications are expected to decrease by 18% and the 2023 Annual Meeting is projected to lose $207,000 due mainly to staff allocations. The Finance Committee recommends Membership dues for 2023-2024 remain unchanged from this year: Full Member: $345; Student: $100; Emeritus/Life: $60; Two-Year College: $120 and Retired: $100. The Finance Committee also recommends the pilot dues for 2023-2024 for the Tier 3 countries of Brazil, Africa and India: Full Member: $75; Student: $30; Retired: $30; and Two-Year College: $40. After discussion, Council voted on the 2023-2024 AAA membership dues pricing and on the 2023-2024 Pilot dues pricing for the Tier 3 countries. Anne gave a brief overview of projects that could potentially influence the Phase 2 budget including the recommendations from the AAA Publications Processes Task Force, the Meetings Model Committee and DEIB initiatives. ***MSC to accept the recommendations for the 2023-2024 AAA membership dues pricing as presented.******MSC to accept the recommendations for the 2023-2024 Pilot dues pricing for Brazil, Africa and India as presented.***3. External Relations update: Senior Director, External Relations Steve Matzke gave an update on the status of the AAA Foundation. The Board approved the creation of the AAA Foundation in January 2023 and Steve worked with our attorney, Hugh Webster, to map out what the foundation could look like at AAA. The goal is to announce the Foundation at the 2023 Annual Meeting. The Foundation is one way we can get funding from larger foundations and other organizations for our DEI and pipeline initiatives without spending member dollars. Steve reviewed the reasons why the AAA should create a foundation, the draft mission, and the Foundation Board composition. The Foundation will allow AAA to refocus some of our efforts and look for new sources of revenue including grants, planned giving, and annual giving (giving Tuesday). AAA is working with a consultant on the creation of the foundation who is also working with us on our DEI initiatives. AAA needs to review which other foundations to work with, understand the grant writing process, and create the Foundation website. Yvonne added that now is the right time to form the Foundation so that we can separate AAA operations from AAA special projects and foundations prefer to donate to other foundations rather than to 501(c)(3) membership organizations.  |
| **F. AAA Publications Processes Task Force Update** – Anne Farrell gave an update on the work of the AAA Publications Processes Task Force. Their charge is to understand processes associated with producing AAA publications and associated costs and revenues and to provide recommendations for process improvements, equitable cost allocations, and value-enhancing activities to the Board. The Task Force has been working on understanding why the Section journals are charged $37/page of production support that was established in the 1990s and updating the cost to what it should be now. In order to do that, they had to understand the processes involved and the associated costs. The Task Force has a representative from each Section. During fall 2022 through spring 2023, the Task Force made several recommendations which were approved by the Board and are being implemented. During spring 2023, the Task Force developed recommendations to replace the $37/page allocations. They will continue to refine their recommendations over the next few months and to prepare a final report for the Board prior to the start of the AAA fiscal year on June 1st. One recommendation is to form a new committee or task force that will work with Sections to implement the final recommendations.  |
| **G. Meetings Model Committee** – Director-Focusing on Segments Tim Rupert gave an update on the committee’s work. The Meetings Model Task Force was formed in February 2020 followed by the formation of the Committee in fall 2021 with members representing various Sections. The Committee’s focus is to develop a model to allocate indirect costs among the Section meetings so that the meetings are self-sustaining. The estimated indirect costs for fiscal year 2023 are $680,000, most of which is AAA staff time that is not being allocated to Sections but rather is being covered by the general fund. Senior Director, Meetings and Membership Erlinda Jones explained that the $680,000 includes staff salary, benefits, and retirement, as well as supplies, registration and submissions systems, insurance, and Zoom licenses. Meetings Model Committee Chair Eric Bostwick reviewed four regression-based models the committee is developing and asked for Council feedback. The Meetings Model Committee recommends a phased-in approach to the allocations over four years, and they will have to consider variance tracking and annual model adjustments after the preferred model is identified. Tim indicated that the Committee will continue its work on the models and will take into consideration the feedback from Council today.  |
| **H. Governance Update** – Yvonne Hinson explained that AAA sent a survey recently to all members on behalf of members who are interested in starting a new AAA Section. The draft Policy for Proposing a New Section of the AAA has been updated from an early 2000 version and is posted to the Council website for Council’s review. In the updated version, a change was made that allows Council to vote first to approve a new Section and then the Board. Both Mark Dawkins and Mark Taylor have reviewed and added comments to the draft policy. The Board will consider voting to adopt the new policy during its June meeting. Then at an in-person Council meeting, Council would vote on whether to add the new Section. The following day at their in-person meeting, the Board would vote. Council was encouraged to email Yvonne with suggestions or questions on the policy. |
| **I. Diversity, Equity, Inclusion, and Belonging (DEIB) Update** –Vice President-DEINorma Montague gave a brief update on the committee’s work. The committee will be updating the AAA Case Statement that was released November 2022 titled “Prioritizing and Advancing Diversity in Accounting.” The DEI Publications Subcommittee will continue the work it began in 2022 on acknowledging the role of DEI in the Section journals, including: aim, scope, editorial board composition, making sure the process and criteria to select editorial boards and reviewers are transparent, supporting the processes and pathways for scholars who want to become editors and reviewers, and determining whether journal policies impact publications processes. The DEI Teaching Subcommittee will continue the work it began in 2022 including reviewing best practices for teaching evaluations on performance reviews and promotion, curating and sharing ideas on the AAA website, and working with the Inclusive Classroom Certificate Committee to review the content of the modules before they are released. The DEI Teaching Subcommittee suggests creating a foundational module that, once completed, would unlock shorter (approx. 15 minutes), specialized modules on specific topics under a framework that includes Reflection, Education, and Action. The committee would like to launch the foundational module by the Annual Meeting and launch one specialized module in each of the three frameworks throughout the year.  |
| **J. Wrap-up** – Randy asked Council to save the date for Council’s next virtual meeting on April 12, 2023 and next in-person meeting on November 4, 2023 in Washington, DC. If anyone is interested in working on Council’s response to the AICPA DPAP, they should email Randy. |
| The meeting adjourned at 5:00 pm. |