

# Board of Directors Meeting Minutes

Gaylord Rockies

Room - **Cottonwood 2**

Friday, November 11, 2022

8:30 am-5:00 pm

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| **Board of Directors Attending** | |
| Mark Dawkins, President  Robert Allen, Past President  Mark Taylor, President-Elect  Annie Farrell, Vice President – Finance  Beth Kern, Vice President - Education  Sarah McVay, Vice President - Research and  Publications  Giorgio Gotti, Director-Focusing on International | Ann Dzuranin, Director-Focusing on Membership  Tim Rupert, Director-Focusing on Segments  Norma Montague, Director-Focusing on Diversity, Equity, and Inclusion  Bette Kozlowski, Director-Focusing on Academic/Practitioner Interaction (virtual)  Yvonne Hinson, Chief Executive Officer |
| **Guests & Staff Attending** | |
| Randy Elder, Council Chair | Erlinda Jones, Senior Director, Meetings & Membership  Barbee Oakes, Chief Diversity Officer  Karen Osterheld, Senior Director, Center for Advancing Accounting Education (virtual)  Steve Matzke, Senior Director, External Relations &  Governance (virtual)  Michele Morgan, CFO (virtual as needed)  Darlene Dobson, Executive Assistant (virtual) |

# Friday, November 11th

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| **(V=Vote)**  **MSC = Motion Seconded and Carried**  **MSF = Motion Seconded and Failed** |
| **Welcome- Mark Dawkins**  Mark welcomed everyone and reviewed the agenda. The agenda was approved with no changes.  ***MSC to approve the July 14th and July 19th minutes.*** |
| **CEO Report – Yvonne Hinson**  **Membership**  Yvonne said that the current membership is down about 500 from the same time last year. Current membership– 5550 last year 6034 (484) down. Mary Beth sent out a simple three question membership survey to see why they haven’t renewed. Here are a few of the responses she received:   * some members are not on the same path that the AAA is going on * some members are waiting on their school budget to be approved * some universities won’t pay association dues or say they are too high   The survey response rate was low. We are marketing to two-year and four-year colleges differently now and we are marketing the value of the sections.  **PhD Project**  We meet with the PhD project often and we need to renew our commitment for three years. It is a yearly commitment of $25,000 for 2024, 2025 and 2026. Our President speaks at their conference, and AAA gets a seat on the PhD Project Board. We have monthly meetings that share information. Yvonne requested a vote to renew our commitment for the three-year period.  ***MSC to approve the renewal of a three-year commitment of $25,000 for 2024, 2025, 2026 to the PhD project.***  **Technology Update**  The submission system search is underway. Mark VanZorn has reached out to a group of members to give us input. We are trying to decide in early 2023 but we will use the current submission system through the 2023 Annual Meeting, and we will start with a new submission system with the 2023 fall meetings.  ProTech migration completed, and we are already seeing some really good information and benefits.  Customer Data Platform (CDP) integration with HUM is nearing completion. We are getting some good information and good ideas from them now.  Research Relevance – we have launched the AAA and CalCPA pilot. The AAA is partnering with CalCPA to offer five 1-hour CPE self-study courses using identified articles from journals and the revenue will be shared with journals.  **Center for Advancing Accounting Education**  weARE webinarsare scheduled thru April 2023 and we are working with sections to sponsor a webinar.  New Online Technology Workshops – Data Cleaning with Alteryx 10/4, 10/11 and 11/11/2022  Power Bi – 10/28, 11/4 and 11/18  Sustainability, ESG and Accounting Conference: Implications for the Academy and the Profession will be held on February 17-18, 2023, at The Mayflower Hotel  **Publications and Research Relevance**  Yvonne reviewed the goals that were set at our strategic retreat and related updates in **blue**.   * Connections to practice **–** (CalCPA, Practitioner Advisory Board - started) * Reduce time to publication – January 1, 2023, start process * Creating an open access journal around ESG – attain outside funding to pay for authors – (we have been approached by Elsevier about an open access journal)- it could be a much less expensive way to dip our toes in. * We have used our $50K for the diverse pipeline initiatives * HUM is underway * LMS – (100K) Postponed due to budget constraints * Knowledge Hub - Spring 2023 – 80K - Postponed due to budget constraints * Brazil pilot – 4K underway * Submission system – Fall 2022 search start – implement in fall 2023 |
| **Finance Update – Bette Kozlowski, Annie Farrell, and Michele Morgan**  Bette reviewed who are the members of the Audit Committee and said the Audit Committee is responsible for the oversight of the AAA finances, as representatives of AAA stakeholders.  Annie reviewed who is on the Finance Committee and said the Finance Committee is responsible for overseeing and monitoring the association’s financial condition and financial strategy and for assisting in achieving the Strategic Plan as directed by the bylaws.  Here are the highlights of last year’s financials:  Total Assets – 2022 -$13,468,749 2021 - $12,441,964  Total Liabilities – 2022 - $3,871,048 2021 - $4,124,460  Total Liabilities and Net Assets – 2022 - $13,468,749 2021- $12,441,964  **Finance Update – Annie Farrell and Michele Morgan (continued)**  Here are Preliminary Q1 General Fund financials:  Total Unrestricted Net Assets +$118,318 relative to same period last year.  Relative to budget:   * Membership and publications are in line with the budget. Membership year does not start until the second quarter. We will not see a drop in membership until next quarter. * Annual meeting and CTLA large negative variance due to lower attendance than expected, hotel contract requirements set before COVID. * Overall, all budget variance for all operations $(291,369)   Annie reviewed the general fund budget timeline and the roles of the AAA Management, Finance Committee and Board and Council. |
| **Meetings Model Committee and Annual Meeting Update – Tim Rupert and Erlinda Jones**  Tim gave an update on the Meetings Model Committee that met in September and is focusing on the costs of the meetings and how to allocate them. We focused on the section meetings which is about $350K historically. We are looking at 2019 meetings and we are working on different models and trying to get a measure of the complexity of the meetings. We hope that there will be a model ready by January.  Region meetings (all but Southwest) are going to be held virtually for next year and we have put together a regions taskforce and want them to be involved in a decision as to how to move forward. They need to be a part of a solution. They will go through financials for the past eight years and the region’s taskforce will help decide on the future of region meetings.  2023 Annual Meeting– Erlinda said submissions are scheduled to open next week. We will have a soft launch opening on Wednesday and if everything goes well, launch next Thursday. We amended our annual meeting contract and cut our room block down. Once we sell out our room block then we will post the links to other surrounding hotels to members. We did not reduce the food and beverage minimum as it was already low. We are taking a different approach to marketing – rethinking the annual meeting as a family event and we will have links to family activities throughout the area. |
| **DEIB Committee Update – Barbee Oakes and Norma Montague**  Barbee has been working with our DEIB consultant, Arlethia Perry-Johnson who created an action plan and fundraising strategy that will take us several years out. Barbee discussed the new webpage on the AAA website called Prioritizing and Advancing Diversity in Accounting. This web page features an interview with Barbee Oakes, AAA brochure, DEIB resources and links, and a section about partnering with the AAA.  Norma Montague discussed the DEI Committee charge and the goals:   * Identify and remove systemic barriers across our association and ultimately remove these barriers * Collaborate with other associations around DEIB initiatives * Collect/curate and share best practices with business schools * Increase cultural intelligence with DEIB and create ongoing training. * Create and deploy DEIB training for all editors and associate editors. * Engage with segments to take ownership for their DEIB segment strategy. * Identify useful measurements and report these transparently. |  |
| **Global Gathering Update– Giorgio Gotti and Yvonne Hinson**  Giorgio discussed the global gathering meeting that was held on Thursday after the Annual Meeting. They created working groups that are focusing on accounting research impact on society relevance/journal rankings, DEIB, and ESG for 2022/2023. The Global Gathering will have their virtual meeting on January 17, 2023. |  |
| **Lifetime Service Award Committee Update – Bob Allen**  The Lifetime Service Award Committee is currently accepting nominations for the 2023 Lifetime Service Award. The nominations deadline is January 31, 2023, at 11:59 pm EST. Award is presented at the Annual Meeting. |  |
| **Governance Topics – Mark Dawkins and Yvonne Hinson**  Mark Dawkins provided an overview of the timeline for the nominations and elections process. The nominations process will end in early January, and we will be able to open voting. We may know by the end of February who our new Board members will be.  Outcome of the Bylaws Revisions – Mark Dawkins  The AAA bylaws had not been updated since 2011. Nancy Uddin and the Governance Committee updated the bylaws, and we added the DEIB committee and the Audit Committee. The updated bylaws went out to the members after the meeting and then they approved the update to the bylaws.  Policy Review – Audit Committee Charter & Charge  Bette said the Audit Committee updated their charge by adding a statement saying the meetings would either be in person, telephonically or virtual. Bette said they updated their Charter in five places by changing the title from Executive Director to Chief Executive Officer and changing the title of the Director of Finance to Chief Financial Officer.  Bette said the Audit Committee approved the changes and that we need for the Board to approve the changes:  ***MSC to approve the revisions to the Audit Committee charter and Audit Committee charge.***  Research & Publications Committee Charge  Recommended change to the committee charge is to merge the two committees. It was approved in the bylaws change so there is no need for a Board vote    **Accounting Hall of Fame nominations – Steve Matzke**  We inducted three new candidates into the AHOF at the 2022 Annual Meeting. The AHOF nomination process changed this year. There are twenty nominations up for consideration for the 2023 AHOF. The committee will meet in January to make the selection. |  |
| **Council Meeting Agenda and Planning – Randy Elder and Mark Dawkins**  Randy reviewed the Council agenda for Saturday’s meeting. The Council will choose the Director Focusing on International and there are eleven nominees for the position. There are thirteen nominees for the (CCAC) Council Committee on Awards Committee. |
| **AAA Foundation Discussion – Steve Matzke, Mark Dawkins, and Mark Taylor**  Steve said we had an initial conversation on starting an AAA Foundation in Spring of 2021 and would like to continue the discussion. Steve has met with several organizations that have foundations and the AAA attorney to discuss the possibility of creating AAA foundation.  Here are a few reasons why we should create a foundation.   * Additional funding needed for DEIB initiatives * New initiatives and programming to increase the pipeline of students pursuing careers in accounting * Provide estate planning opportunities for AAA members. * It aligns with the AAA strategic direction. * Effective philanthropy and public/community relations to elevate the AAA.     **AAA Foundation Discussion (Continued)**  Steve spoke to the AAA attorney, and he said that we need to launch the AAA foundation with a vision, mission, and specific purpose, ensure complete buy-in from the board/officers and careful consideration given to the composition of the Board of Directors.  The potential AAA Foundation mission/vision – The American Accounting Foundation supports programs and initiatives that advance accounting education, and the accounting academy, through five focused areas:   1. Supporting research relevance 2. Supporting teaching excellence 3. Raising awareness of accounting, attracting diverse entrants, and future talent, to accounting. 4. Advancing DEIB initiatives. 5. Supporting advanced degrees in accounting.   Additional AAA Foundation considerations: Low risk, low cost, aligns with AAA brand, seed money, be clear that contributions to the Foundation are separate from funding of AAA activities to avoid cannibalism of existing funding and the foundation would expand the AAA’s universe. It will cost $5000 to get the legal paperwork in place to start the foundation.  Steve said he needs a timeline and what additional information would be needed by the Board to decide. Mark Dawkins proposed that Steve should go ahead and work with Hugh to get the documents ready to start the AAA Foundation. Mark suggested that we call a special virtual Board meeting in January 2023 with the AAA attorney there to discuss next steps and to answer any questions that the Board may have before the documents are filed. Mark Dawkins asked the Board to vote on this proposal.  ***MSC to approve for Steve to move forward with Hugh to start paperwork for the AAA foundation and when the documents are ready to have a discussion with Hugh to review and get questions answered before the documents are filed.*** |
| **Annual Meeting Speakers and Themes – Mark Dawkins and Mark Taylor**  **2023 AM speakers**  Mark Dawkins asked the Board members for suggestions. It doesn’t have to be anyone from the accounting field. Our budget is usually 10-15k. Mark said Dorothy Brown got a standing ovation at a DIV Section meeting and would be a good plenary speaker. Erlinda said she might be booked but she would check and would pull out some other names to consider. Mark Dawkins said he would reach out to Carla Harris at Morgan Staley. Mark also brought up Dan Simon and Chris Gardner as outstanding speakers. Mark said if anyone thinks of other names for Monday or Tuesday’s speakers send him an email.  **2023 AM theme**  Mark Taylor does not have a theme yet but does not think the pipeline issue will go away and may look at a continuation of that in some way.  **Meeting adjourned at 5:00 pm** |