

**ACADEMY OF ACCOUNTING HISTORIANS
MEETING OF BOARD OF TRUSTEES**

**At the 2016 Annual Conference of the American Accounting Association
Hilton Midtown, New York, New York
2nd Floor, Gibson Room
Sunday, August 7, 2016**

MINUTES

The meeting convened at 5:05 PM.

Present: Gary Previts (chairman), C. Richard Baker, Robert Colson, Joann Noe Cross, Dale Flesher, Mikhail I. Kuter, Yvette Lazdowski, Yoshinao Matsumoto, Stephanie Moussalli, Jennifer Reynolds-Moehrle, Alan Sangster, Massimo Sargiacomo, Gary Spraakman, and Mary Stone.

Attending by proxy (proxy held by): Guo Daoyang (Previts), Oktay Guvemli (Flesher), and Jim McKinney (Sangster).

Guests: Tom King (Case Western Reserve University), Royce Kurtz (University of Mississippi), Patricia Poli (AAA Director-Focusing on Segments)

1. Roll call, opening remarks, welcome – Board Chairman Previts

Previts called the meeting to order. Moussalli as secretary called roll, including those present by proxy (proxies had previously been recorded with the secretary).

2. Report on transition of AAH to AAA section status effective June 1, 2017

Previts reported that the AAA finance officer had inserted into our new by-laws language regarding the control of the AAH assets that is even more strongly-worded than we expected, helping to enable the Academy of Accounting Historians Section officers and trustees to ensure appropriate use of the assets. Flesher, as AAA Vice-President of Finance, had given the AAH the language for the new by-laws.

Four people made up the AAH transition team: Colson, Flesher, Previts, and Reynolds-Moehrle. Mary Stone also participated.

Colson reported on the transition:

Since last year, the team has been video-conferencing with AAA President Bruce Behn and AAA staff.

In March of this year, at the request of the AAA Executive Committee, Previts and Colson presented the proposal for section status to the AAA Board of Directors and the Council. The Council voted unanimously to create the new Academy of Accounting Historians Section.

There was a great deal of interest in the new section. In particular, other section leaders were interested in the quadrennial World Congress of Accounting Historians and in initiating means of cooperating with our section in their areas of scholarly inquiry. The meeting recognized our journal as bringing a lot of value to the AAA and the members expressed satisfaction with the inclusion of the Academy as a special interest section.

Subsequently, the transition team worked with AAA staff member David Boynton on the transition. The AAA hopes to grow, and wanted to pay close attention to the details of the process with us in order to create a template for future sections to follow.

Colson asked Flesher, Reynolds-Moehrle, and Previts to take the lead on behalf of the AAH in the transition.

Each section must have a representative on the AAA Council; this person may not be the president but should have time and significant experience with the AAH (and in the future, with the Academy of Accounting Historians Section). The AAH has a trustee / officer structure. The Academy of Accounting Historians Section (AAH Section) representative to the AAA will be the Board of Trustees chairman, by virtue of office. That means Previts now, but it will be Flesher when the trustee chair changes. (See item 8 below.)

The current version of our new by-laws states that the Council representative must be elected and that the Nominating Committee will nominate a past president to be the representative.

The new Academy of Accounting Historians Section will officially begin operations on June 1, 2017.

Baker added that, from his service with another section, he knows the Council representative must be elected, and that various sections conduct the election differently.

3. **World Congress of Accounting Historians (WCAH)**

Sargiacomo reported on the selection procedures for the WCAH quadrennial meeting locations:

Before the recent WCAH meeting in Pescara, Italy, the selection committee met at the Hotel Carlton and chose St. Petersburg, Russia for the 2020 meeting. They considered the first week of July but thought that might conflict with the Critical Perspectives on Accounting meeting, so they may decide on a late June date.

Some declarations of intent have been received for the 2024 WCAH meeting. So Sargiacomo proposes that in 2019 we request bids from the whole community so that by 2020 the decision can be made. A transparent bidding process should be developed and applicants should have a template to fill in.

The financial responsibility falls on the WCAH sponsor. The Pescara budget was €100,000, with €150 of profit.

Previts noted that this requires institutional support and that the Turks, Portuguese, and Chinese are all very interested.

Sargiacomo continued, saying that attendees at the World Congress in Russia would need to get their visa applications in early.

A good Congress requires a good plan, so the selection committee would need to see many details at the proposal stage. The financial plan, for instance, might need to include 3 dinners, 3 lunches, transportation, and special events; in addition a social

program for family needs to be detailed. Proposal development is demanding.

Flesher asked if we should return to having the WCAH every 2 years. Previts said no, that's too many conferences. While there are cities that want that, participants cannot do it that often. Flesher said not as many people were interested in the history group then.

Sargiacomo noted that during the 1980 conference in London, the committee chose 2 cities, Sydney and Rome.

Previts: Most WCAH meetings have been held in Europe. This argues for choosing China or Brazil for 2024.

Sargiacomo: Brazil would be a good idea for everyone. Russia was known to be interested for a long time, and Brazil now is, too. Sargiacomo thinks we should launch research conferences in addition to the WCAH. A special issue of the *Accounting History Review* sparked a conference. Right now, he agrees that the WCAH should stay at 4 years. But maybe in the future it should be more often because of increased pressure for conferences.

Previts: Although other organizations and journals have been promoting accounting history, we should not set our policy by their practice. The WCAH should remain quadrennial.

4. **Report from Turkey about accounting history research there**

Due to recent travel restrictions in Turkey, neither Oktay Guvemli nor his son could attend and deliver the report, so Previts delivered it:

The Turkish Association of Financial Academics has launched a new journal, *Accounting and Financial History Research*. Twenty-four Turkish scholars attended the WCAH meeting in Pescara. Seventeen of their papers were accepted for presentation. A volume of their papers has been produced. One of Guvemli's books on state accounting was used by a Saudi student.

Literature by Chinese and Turkish scholars has exploded in recent years.

5. Poli, speaking on behalf of the AAA Board of Directors, expressed their support and enthusiasm for the addition of the Academy as a section.

6. **Budget, financial statements, and dedicated resources – Treasurer Reynolds-Moehrle**

The independent audit and the tax information return (form 990) for the year ending December 31, 2015 have been completed. The audit opinion, by Watkins, Ward and Stafford, was unqualified.

The budget proposal for the transition period was previously circulated to the board members. The AAH operates on a calendar year, while the AAA operates on a fiscal year ending May 31. The AAH will officially become a AAA section on June 1 of 2017. Therefore, the circulated budget includes the AAH's current budget, in effect for January-December of 2016; the AAH's proposed budget for January-May of 2017; and the Academy of Accounting Historians Section's proposed budget for June, 2017 – May,

2018.

The AAH had \$402,268 in total assets at the end of 2015. Compared to 2014, there was a decrease in net assets of \$9,075 due to awards, etc. All the assets are held in certificates of deposit at the Bank of America and PNC.

The proposed budget starts with January 1, 2017. Becoming a AAA section requires that we transfer our assets to the AAA by May 31/June 1 of 2017. Creating a transition budget for the AAH entity from January to May of 2017 and for the AAH Section entity from June of 2017 to May of 2018 required a great deal of detailed consultation with the AAA's David Boynton and others.

The next round of membership dues will be \$75 each, collected by the AAH beginning in November of 2016, and covering the entire transition period, i.e., through May of 2018. A pro-rated amount will be remitted to the AAA for the June, 2017-May, 2018 period.

As is done for other AAA journals, members may purchase print versions of the *AHJ* for an annual fee of \$20.

The AAA has no retired-member category. Therefore, when we give those dues to the AAA, the AAH will subsidize them to bring them from the \$30 our retired members currently pay up to the AAH Section's dues of \$45.

The dues from institutions that we collect will go entirely to the AAA since they will be publishing the *AHJ* in 2017. (Subsequent N.B.: This matter is being reviewed.)

In the publications-royalties category, our contracts with JSTOR and EBSCO are rolling forward.

The interest on our assets is budgeted to continue.

For expenses, our contract with Tiffany Welch will continue for a while to handle administrative details. Our dealings with the Birmingham press will continue, to handle storage, printing, and fulfillment, but will cease after the December, 2016 issue of the *AHJ*.

We will have a final independent audit and 990 form done for the period January-May of 2017. We will also have legal fees, for an attorney to help us with the dissolution of the AAH 501c(3) entity.

The *AHN* will become digital only beginning in 2017. We hope that Tiffany Welch will continue producing the *Notebook*. The AAA will begin handling postage, printing, and digital maintenance after June 1, 2017. AAA staff support for the *AHJ* will begin in the first half of 2017. The *AHJ* editor's travel fees have been increased from the originally budgeted amount to \$3,500/year.

We have budgeted to continue the annual ice cream social.

Finally, the awards will continue to be paid out of dedicated resources.

Previts: Because the AAA's fiscal year is not the same as the AAH's year for holding offices, a transition section was added to the newly approved by-laws to bring us into conformity with the AAA's office-holding periods.

Action item:

Flesher moved to approve the budget. Previts seconded. Discussion ensued.

Lazdowski: Our dues in the AAA will be \$45? Answer: Yes.

Sangster: Getting hard copies of the AHJ will cost \$20 extra? Answer: Yes.

Previts: AAH members who are paid-up as of or about June 15, 2016 will pay their \$75 dues in November of 2016 for the Academy/section membership from January 1, 2017 through the full AAA year of June 1, 2017-May 31, 2018. When subsequent AAA billing cycles begin, further section dues will be billed by the AAA.

Sangster: Our \$75 dues now include the hard copy of the AHJ. Will it then? Answer: No. You will pay an extra \$20.

Flesher: We thought we could lower the dues as a AAA section because we expect membership to grow then.

Lazdowski: Have we made a forecast of the number of new members? Answer: Yes, but the speaker could not remember what it was.

Previts: We will need to discuss a marketing campaign, including word-of-mouth, networking, and messages for an ad campaign. However, our AAA liaison David Boynton, is leaving his AAA job as of August 18. Our new liaisons will be Randy Greene, AAA COO and CFO, Erica Zakarias, AAA Segment Member Services Coordinator, and Barbara Brady, AAA Director of Operations.

Moussalli conducted the vote on accepting the proposed budget. By a show of hands, the vote in favor was unanimous. She asked for the votes of Previts, Flesher, and Sangster as proxies for Daoyang, Guvemli, and McKinney and those votes were also in favor.

Report on dedicated resources, by Reynolds-Moehrle:

We submitted our prospectus and all our legal papers to the AAA Council. The transfer agreement is now being worked on. It will maintain the character of our funds. Our named award funds are temporarily restricted for certain awards. The Ray Endowment fund is unrestricted.

The AAH has just received a new donation of \$10,000 to start the Academy of Accounting Historians 21st-Century Historical Development fund. The donor's intention is to attract new money to the fund and continue the AAH mission.

Action item:

Flesher moved we accept the new fund as Reynolds-Moehrle described it and approve the donor's purposes. The motion was seconded.

Moussalli: Why is a vote is needed? We have not had them before when accepting new donations. Answer: Now we're in the AAA and it is required.

Baker: What is the language that binds the AAA? Answer: That is the purpose of the transfer agreement. None of our funds are endowments in the sense that the principal cannot be spent; the principal can be spent in all of them.

The question was called, to accept the new fund and its purposes. Moussalli called for a show of hands and the proxy votes. The vote was unanimously in favor.

7. Nominations for officers and trustees, report by Flesher:

Colson pointed out that the officer group meets monthly.

Flesher said the Nominations Committee consisted of Joann Cross, Jim McKinney, Massimo Sargiacomo, and himself. They unanimously agreed that continuity of personnel was important.

Nominations for positions to be filled as of January 1, 2017:

President-Elect – Jennifer Reynolds-Moehrle

A question was asked as to when she would move up to President. Answer: that is up to Colson, most likely following the AAA 2017 meeting.

Vice-President – Communications - Stephan Fafatas, Washington and Lee University

Vice-President – Partnerships - Gary Spraakman

Treasurer - Yvette Lazdowski

Secretary - Stephanie Moussalli

Trustees: Joann Cross and Richard Baker agreed to serve another term. Stefania Servalli also agreed to serve. Past president Massimo Sargiacomo becomes a trustee by virtue of office.

Current trustee Delfina Gomes, who is absent, telephoned in at this time to designate a proxy. Moussalli objected to accepting the proxy, as her understanding of the by-laws is that proxies must be registered with the secretary before the meeting. The objection was accepted by the Chairman.

8. Operational issues

SCOPUS agreement: Spraakman filled out a new application to add all the issues of the *AHJ* before 2014 to SCOPUS indexing. Moussalli sent PDFs of all the issues to SCOPUS. Spraakman believes the application has been approved, and will report the final decision to the Executive Group at a future meeting.

Moussalli needs a copy of the agreement for the record and Reynolds-Moehrle needs a copy to add to the prospectus we are giving the AAA.

Concerning EBSCO: Reynolds-Moehrle reported that EBSCO's objection to our embargo was supported by the facts that Gale is already posting our materials online through 2015, and the AAA journals do not have an embargo. So we agreed to allow EBSCO access to current issues and they have released the money they were withholding. After we attain section status, all the revenues will go directly to the AAA. Also, EBSCO will now post our *AHN* articles in the same databases with the *AHJ* instead of offering the *AHN* just to junior colleges.

The archival copies of our journals will be sent to the AAA Sarasota offices.

The new AAH Section bylaws have been approved by the AAA management team and staff; Previts thanked the AAA staff for its tireless work.

A final independent audit will be conducted and a Form 990 filed for the AAH for the period January 1 – May 31, 2017. Then the Alabama corporation will be collapsed. Our attorney is advising us on the language; it will specify that the language survives the closing of the transaction.

No votes are needed concerning Previts' role as Council observer through December 31, 2016, because he holds the position by virtue of his being the Chairman of the Board of Trustees (see above).

9. **Membership report**, highlights from which were read by Moussalli on behalf of Tiffany Welch: Over the year ending July 31, 2016, total AAH membership declined 4%, from 250 to 239, continuing a years-long decline. Individual membership increased slightly, by 2%, from 221 to 225, driven by an increase in non-U.S. members.

Previts concluded that the AAH corporate entity will end by December 31, 2017. The assets will be transferred to the section by that time. The dissolution of the 501c(3) is expected to be direct and not difficult; however, dissolving the Alabama corporation may be more involved. Of course, the long-term outcome of becoming a section of the AAA will only become known over time.

10. **Other items**

Lazdowski took a group picture of the trustees.

The meeting adjourned.

Respectfully submitted,
Stephanie Moussalli, Secretary