

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

BOARD OF DIRECTORS

MINUTES OF MEETING – APRIL 22-23, 2010

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AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

BOARD OF DIRECTORS

MINUTES OF MEETING – APRIL 22-23, 2010

A meeting of the AICPA Board of Directors was held Thursday, April 22 and Friday, April 23, 2010 at the AICPA's New York Office. The meeting convened at 8:45 am on Thursday, April 22.

Attendance

The following Board members were present:

Robert Harris, Chairman
Paul Stahlin, Vice Chairman
Ernie Almonte
Wynne Baker
Allyson Baumeister
Terry Branstad
Rich Caturano
Tim Christen
Patricia Cochran
Bob Graham (Thursday only)
Paula Hanson
Rodney Harano
Carter Heim
Mark Hildebrand (Friday only)
Jeff Hoops
Ken Hughes
Henry Keizer
Bob Laux
Bill McKenna
Barry Melancon
Karen Pincus
Bill Schneider
Jimmy Williams (by phone)

Also present:

Greg Anton, Chairman
FASAB Rule 203 Review Panel

Mark Bolgiano, President, XBRL U.S.

Randy Fletchall, Past Chairman,
AICPA Board of Directors

Rich Jones, President and CEO, Washington Society
of Certified Public Accountants

Deb Riley, Executive Director and CEO
Vermont Society of Certified Public Accountants

Joel Allegretti, Director
Media Relations

Erik Asgeirsson, Chief Executive Officer
CPA2Biz

Susan Coffey, Senior Vice President
Member Quality and International Affairs

Joanne Fiore, Publisher of Magazines &
Newsletters

Mary Foelster, Director
Governmental Auditing and Accounting

Ed Karl, Vice President
Taxation

Cynthia Lund, Vice President
State Society Affairs

Janice Maiman, Vice President
Communications and Media Channels

Jim Metzler, Vice President
Small Firm Interests

Richard Miller, General Counsel and Secretary

Jeannie Patton, Vice President
Students, Academics and Membership

Mark Peterson, Vice President
Congressional and Political Affairs (by phone)

Tony Pugliese, Senior Vice President
Finance, Membership & Operations

Cheryl Gravis Reynolds, Director
Communications

Bill Roberts, Director
Media Relations

Jay Rothberg, Vice President – Office of the CEO

Scott Spiegel, Chief Financial Officer

Victor Velazquez, Vice President
Strategy and Human Resources

Introduction and Chairman's Report

Robert Harris, Chairman of the Board, opened the meeting by welcoming the Board members. He introduced Deborah Riley, Executive Director and CEO of the Vermont Society of Certified Public Accountants and Richard Jones, President and CEO of the Washington Society of Certified Public Accountants, as representatives of CPASEA.

He reported on his activities since the January, 2010 Board meeting, which included presentations at the regional meetings of Council and at a meeting of the Texas Society of Certified Public Accountants. Mr. Harris also reported that he attended a meeting with the IRS Commissioner, the NASBA Summit, the Blue Ribbon Panel on Private Company Financial Reporting and the U.S. Chamber of Commerce's Center for Market Competitiveness meeting. In addition, Mr. Harris said he planned to attend the Peterson Foundation's Summit on the Economic Crisis of America later this month.

Mr. Harris said there one vacancy on the Tax Executive Committee that needed the Board's consideration. He recommended the appointment of Lawrence Charlton to the Tax Executive Committee. After discussion, upon a motion duly made and seconded, the Board approved the appointment.

Approval of Minutes

After discussion, upon a motion duly made and seconded, the regular minutes of the January 21-22, 2010 meeting and the executive session minutes of the January 21, 2010 meeting were approved.

The regular minutes were authorized for placement on the AICPA's web site.

Executive Session

The Board convened into executive session at 9:00 a.m. after which the regular Board meeting reconvened at 10:30 a.m.

Update on International Strategy Development

Sue Coffey, Senior Vice President – Member Quality & International Affairs, updated the Board on the AICPA's international strategy, which is being developed by a cross-functional staff team. She reviewed the strategy mission, goals, vision, objectives and proposed action plan and received the Board members' input regarding the proposed strategy.

Report from the President and CEO

Barry Melancon, President and CEO, briefed the Board members on a number of professional and organizational issues. He announced the retirement of Pat Duane, Vice President of Human Resources, effective May 1, 2010 and the promotions of Ed Karl and Peggy McIntyre, to Vice Presidents of Taxation and Member Service, respectively.

Mr. Melancon reported that the Alaska legislature approved the profession's Mobility legislation and the bill was now being sent to the Governor for his signature. Once approved, Alaska will be the 47th state to enact practice

mobility. Mr. Melancon then updated the Board members on international developments, the SEC's IFRS Work Plan, the Blue Ribbon Panel on Private Company Financial Reporting, the Reliability standard and recent professional ethics matters relating to firm networks and names. He said the AICPA had recently signed an extension through 2014 of the domestic Uniform CPA Examination contract with NASBA and Prometric.

He said the AICPA was working collaboratively with the state CPA societies on development of the Learning Management System and other initiatives and acknowledged the state CPA societies tremendous efforts in supporting the AICPA's and the profession's efforts in the federal legislative and regulatory areas.

Report from the Life Insurance/Disability Plans Committee

Jay Rothberg, Vice President – Office of the CEO, presented a recommendation of the Life Insurance/Disability Plans Committee, that the contribution premium rates for insured members less than age 75 under the Group Insurance Plan be reduced, effective October 1, 2010. Mr. Rothberg said the committee made this recommendation based on the continued favorable claim experience in the plan.

After discussion, upon a motion duly made and seconded, the Board approved the following resolution:

RESOLVED, that, subject to approval by the applicable State Regulators, the Contribution Premium Rate Schedule of the Group Insurance Plan be amended, effective October 1, 2010, as follows:

**Group Insurance Plan
Monthly Contribution Premium Rates
Per \$10,000 Unit of Life Insurance***

<u>Percentage</u>	<u>Ages</u>	<u>Effective</u>		<u>Reduction</u>	
		<u>October 1, 2010</u>	<u>Current</u>	<u>Current</u>	<u>Amount</u>
	Under 30	\$.40	\$.50	\$.10	20%
	30 - 34	.60	.70	.10	14
	35 - 39	.70	.90	.20	22
	40 - 44	.90	1.00	.10	10
	45 - 49	1.40	1.50	.10	7
	50 - 54	2.20	2.30	.10	4
	55 - 59	4.20	4.30	.10	2
	60 - 64	7.10	7.60	.50	7
	65 - 69	13.30	15.20	1.90	13
	70 - 74	25.50	40.00	14.50	36
	75 & Over	46.00	46.00	No Change	

- * Includes an equal amount of accidental death and dismemberment coverage, waiver of contribution premium benefits if an insured is disabled prior to age 60 and an installment during disability benefit if an insured is disabled prior to age 50.

FURTHER RESOLVED, that, the AICPA Life Insurance/Disability Plans Committee be and hereby is directed to execute all documents and make all changes necessary to effect these amendments to the Group Insurance Plan and policy issued by The Prudential Insurance Company of America; and be it

FURTHER RESOLVED, that, the AICPA Life Insurance/Disability Plans Committee be and hereby is vested with any and all powers necessary to direct the Trustee of the AICPA Insurance Trust to modify the Plan and policy in accordance with the above Resolutions.

Washington Update

Mark Peterson, Vice President- Congressional & Public Affairs, briefed the Board on a number of legislative issues in which the profession was involved. These included the re-regulation of the financial services industry, the

independence of the accounting standards setting process, tax strategy patents, pension relief and the legislative effort to require that the Comptroller General be a CPA.

Mr. Peterson then answered questions from the members of the Board.

Tax Update

Ed Karl, Vice President – Taxation, updated the Board on the IRS' proposed regulation of tax preparers and the AICPA's position and actions to date. He also reported on the IRS' proposal regarding disclosure of uncertain tax positions. He said the comment period for this proposal had been extended to June 1, 2010 and that an AICPA task force was developing the Institute's comment letter.

XBRL Update

Mark Bolgiano, President – XBRL U.S., reported on the organization's mission, history, structure and recent accomplishments. He reviewed the organization's business model, the political landscape it operates in and its short term and long term strategies. He also reviewed the SEC Final Rule regarding XBRL, its three year phase-in and four levels of tagged footnotes.

Mr. Bolgiano and the Board members discussed recent developments regarding XBRL and the long term possibilities.

Summary of Regional Council Discussions Regarding Recommendations Concerning our Membership Category and Redefinitions and Potential Action at the Spring Meeting of Council

Jeannie Patton, Vice President – Students, Academics, and Membership, reviewed the feedback from the regional meetings of Council. She said the input was generally consistent from the four regional meetings.

She reviewed the Council members' comments for each membership category and provided the resolutions for each category.

After discussion, upon motions duly made and seconded, resolutions reproduced below were approved.

These resolutions will be presented to the governing Council at its spring 2010 meeting. The final resolution regarding regular voting members, if approved by Council, will need to be approved by a member ballot before being implemented.

Board Resolution

BE IT RESOLVED, That the AICPA Board of Directors recommends that Council adopt the resolutions set out below.

Council Resolutions

[Note: To the extent the resolutions below relate to proposed amendments of existing resolutions, the amendments are shown with a strike through of language to be deleted and language to be added is underlined.]

WHEREAS, the AICPA Council established certain nonvoting affiliate, associate and non-CPA section categories of membership as well as certain member categories open to voting AICPA members, and

WHEREAS, the Council believes that all previous resolutions with regard to such categories should be updated to reflect current conditions and future strategic considerations;

NOW BE IT RESOLVED, That Council hereby adopts the following resolutions to either establish new affiliate and associate nonvoting member categories or to amend its existing resolutions with regard to such categories as set out below.

1. Student Affiliate

~~RESOLVED: That a new category of non-voting Student Affiliate membership be created and made available to students who plan to become CPAs but who are still in college or, having graduated from college, have not yet passed the CPA exam.~~

~~No Student Affiliate may remain in this category for more than ten years or for more than five years after being awarded a degree, whichever occurs first. If reasonably practical and appropriate, except for voting, committee service, eligibility for a seat on Council, or as a non-public member of the Board of Directors, all other member benefits will be made available to Student Affiliates.~~

BE IT RESOLVED, That any individual who is a full or part time student enrolled in a domestic or non-U.S. high school, community or other college or university shall be eligible to become a nonvoting Student Affiliate, and

BE IT FURTHER RESOLVED, That there shall be no restriction on the number of years a person may continue as a Student Affiliate and there shall be no other entry requirements with regard to the student affiliate category.

2. CPA Examination Candidate Affiliate

BE IT RESOLVED, That the Council authorizes formation of a nonvoting CPA Examination Candidate Affiliate membership for persons who are graduates of any domestic or non-U.S. college or university, whose application to take the Uniform Certified Public Accountant Examination has been accepted, and

BE IT FURTHER RESOLVED, That individuals may remain in the CPA Candidate Affiliate category for a period of five years or until they qualify for another membership category, whichever occurs first.

3. Pre-College Accounting and Business Educator Affiliate

BE IT RESOLVED, That the Council authorizes the formation of a new category of nonvoting Pre-College Accounting and Business Educator Affiliate be created for persons who are employed by a pre-college institution as educators in the subjects of accounting, business, or any related discipline or who are guidance counselors at such an institution.

4. International Associate

BE IT RESOLVED, That the Implementing resolution under Section 2.6 of the bylaws --
- International Associates, is hereby amended as set out below: [Note: New material is underlined and language which would be deleted is ~~stricken~~.]

BL Section 260R

Implementing Resolution Under Section 2.6 International Associates

That ~~a new category of membership in the nonvoting international associate be category created pursuant to bylaw section 2.6 and made~~ shall be available to all certified public accountants or chartered accountants, or their equivalents, who are members of associations belonging to the International Federation of Accountants (IFAC) any individuals who hold a valid non-U.S. accounting credential from a professional organization, governmental entity or similar accountancy body with which the AICPA Board of Directors has approved a recognition agreement, and who is of good moral character and does not hold a CPA certificate issued by a U.S. jurisdiction and who meets either the CPE requirement for CPAs or its equivalent in the individuals home country or for an AICPA member. If reasonably practicable and appropriate, except for voting, eligibility for a seat on Council or as a nonpublic member of the Board of Directors, all other member benefits will be made available to international associates.

BE IT FURTHER RESOLVED, That any individual who was an international associate as of May 25, 2010 shall be eligible to continue as a member of the international associate category.

5. Non-CPA Associate

BE IT RESOLVED, That Council authorizes the formation of a new category of nonvoting Non-CPA Associate for persons who have not passed the Uniform CPA Examination and who are either: a) owners of, or professional staff employed by, CPA firms which are licensed to practice public accountancy in any U.S. jurisdiction, b) corporate or government finance professionals who are under the supervision of, or sponsored by, a voting member of the AICPA, or c) that are employed by any U.S. or non-U.S. college or university in a full time business or accounting educator role; and

BE IT FURTHER RESOLVED, That the non-CPA faculty associate category shall be merged into the non-CPA associate category upon implementation of the Non-CPA Associate category and any individual who is a member of the non-CPA faculty associate category as of that date shall be eligible to become a member of the non-CPA Associate category.

6. Section membership

BE IT RESOLVED, That the resolution of Council regarding membership in membership sections shall be amended as follows:

~~RESOLVED: That the AICPA Council hereby authorizes the executive committees of voluntary member sections to permit non-CPA employees of firms engaged in the practice of public accounting to become a "Section Associate" of their voluntary member section. Such associates must be employed by a firm engaged in the practice of public accounting which is enrolled in the AICPA practice monitoring program; must be sponsored by an AICPA member who is a proprietor, partner or shareholder of such firm; must have obtained a bachelor's degree from a college or university accredited by one of the six regional accrediting agencies; and must meet CPE requirements for AICPA members in public practice and any member of any associate category shall be eligible to join any voluntary member section established by any AICPA executive committee. Any associate member who joins a voluntary member section shall abide by the code of professional conduct. These eligibility criteria may be modified from time to time by the Council.~~

7. AICPA Associates

BE IT RESOLVED, That the Council resolution which established the requirements for membership in the AICPA Associate category be amended as follows:

BE IT RESOLVED, That any person who has passed the Uniform CPA Examination and is of good moral character but does not satisfy the other requirements in sections ~~2.2.1 and 2.2.4~~ 2.2 of the bylaws shall be eligible to become an AICPA Associate. There shall be no restriction on the number of years a person may continue as a member ~~of the section~~ in the AICPA Associate category.

8. Compliance with the Code of Conduct

BE IT RESOLVED, That any person who is a member of any AICPA associate or affiliate category must comply with applicable sections of the AICPA Code of Professional Conduct as a condition of membership in such category.

9. Board authority as to Affiliate and Associate Categories

BE IT RESOLVED, That the AICPA Board of Directors is hereby authorized to take all actions necessary to implement the resolutions of Council with regard to associate and affiliate membership categories, and to prescribe the benefits to be received by, and responsibilities of persons in, each category.

10. Designations to be Used by Associate and Affiliate Members

BE IT RESOLVED, That members of the International Associate member category may use the designation “International Associate of AICPA” and members of other AICPA associate or affiliate member categories may use either the full name of the associate or affiliate category of which they are members or use the designation “Associate Member of AICPA” or “Affiliate Member of AICPA” whichever is applicable to the category to which they belong.

Proposed Membership Bylaw Amendment

BE IT RESOLVED, That the AICPA Council authorizes a member ballot on the proposed amendment to bylaw 2.2 as set forth below and recommends that the membership approve the proposed bylaw amendment.

If approved by the membership BL 2.2 would read as follows. [Note: New material is underlined and language which would be deleted is ~~stricken~~.]

BL Section 220

2.2 Requirements for Admission to Membership

Persons may qualify for admission as members of the Institute if they satisfy the criteria listed below:

2.2.1 They are in possession of a valid and unrevoked certified public accountant certificate issued by a legally constituted authority, or at any time possessed the certificate described herein and the certificate was not revoked as a result of a disciplinary action, or meet the requirements for a CPA certificate set out in the Uniform Accountancy Act and who are of good moral character and have never held a certificate,

2.2.2 They have passed an examination in accounting and other related subjects satisfactory to the Board of Directors, and

2.2.3 With respect to those persons who are engaged in the practice of public accounting as an owner or as an employee who has been licensed as a CPA for more than two years, either they are practicing in a firm that is enrolled in an Institute-approved practice-monitoring program if the services performed by such a firm are within the scope of the AICPA’s practice-monitoring standards and the firm issues reports purporting to be in accordance with AICPA professional standards, or if authorized by Council, are themselves enrolled in such a program.

2.2.4 With respect to persons who first become eligible to take the examination required by section 2.2.2 after the year 2012, they shall have obtained 150 semester hours of education at an accredited college or university including a bachelor’s degree or its equivalent. After 2012, a person who does not meet the educational requirement set out in this section shall, nonetheless, be eligible for membership upon enactment (regardless

of the effective date) of the education requirement set out in this section by the state which grants the certificate required under section 2.2.1.

Resolutions re: honorary/ retired and “temporarily left workforce matters:

1. Temporarily left the work force

WHEREAS, There is a dues exemption set out in the AICPA bylaws for members and International Associates in military service of the U.S. or its allies during wartime and which provides that individual members and International Associates may be excused from dues for reasonable cause by the chair of the finance committee; and

WHEREAS, The Institute has established a dues exemption for those who have temporarily left the work force which has previously been made available to members who were; unemployed, not working due to temporary illness, providing long term care without compensation, or retired but not yet 62 years of age; and

WHEREAS, Council desires to adjust the requirements for this category as set out below; now

BE IT RESOLVED, That the dues category “temporarily left the work force” shall be open to those voting and associate members who have left the work force for any of the following reasons: family leave, education leave, unemployment, or who have medical issues which prevent the member from being gainfully employed.

2. Retired and Honorary members

WHEREAS, The AICPA has established a retired dues category open to those who are 62 years of age and work less than twenty hours a week and has established an honorary member category for individuals who have been members for forty years; and

WHEREAS, The AICPA Board of Directors has recommended to Council that these categories be adjusted with regard to the age requirement for such categories;

BE IT RESOLVED, That any member who has reached normal or full retirement age as determined by the Social Security Administration and, if employed as a business professional, works less than twenty hours per week, shall be eligible to become an AICPA retired member; and

BE IT FURTHER RESOLVED, That any individual who is a retired member as of May 25, 2010 shall be eligible to continue in that category; and

BE IT FURTHER RESOLVED, That any individual who has been a member of the AICPA continuously for a period of forty years and who has reached normal or full

retirement age as determined by the Social Security Administration shall be eligible to be an honorary member of the AICPA; and

BE IT FURTHER RESOLVED, That any individual who is an honorary member as of May 25, 2010 shall be eligible to continue in that category.

Executive Session

The Board convened into executive session at 4:50 p.m. after which the regular Board meeting reconvened on Friday, April 23, 2010 at 9:00 a.m.

LETS Update

Tony Pugliese, Senior Vice President – Finance, Membership and Operations, updated the Board members on the new aicpa.org, which is currently scheduled to go “live” on May 10, 2010. He reported on the feedback received from members and staff on the Beta site and said the members expressed strong satisfaction with the new site.

Janice Maiman, Vice President – Communications & Media Channels, provided the Board members with a demonstration of the site. She and Mr. Pugliese answered questions from the members of the Board.

Report from the Chair of the Audit Committee

Patricia Cochran, Chair of the Audit Committee, reported that the committee received an extensive update from Tony Pugliese on the Institute’s major Information Technology initiatives. These included the PRISM, LETS and LMS projects.

She said the Audit Committee reviewed and approved the audit report for the AICPA Insurance Trust and a new “red flag” policy for the AICPA regarding identity theft. Ms. Cochran said the committee received a status report on the SAS 112 open items and the Management Letter.

Ms. Cochran said the committee met privately with representatives of JH Cohn, LLP, the AICPA President, Senior Vice President – Finance, Membership and Operations and the Director of Internal Audit and discussed various operational matters.

Final Discussion on FASAB Rule 203 Status

Mary Foelster, Director – Governmental Auditing and Accounting, updated the Board on the Review Panel’s work since its last presentation to the Board in January 2010.

Greg Anton, Chairman of the AICPA Rule 203 Review Panel, said the Panel had very constructive discussions with the FASAB representatives. He reviewed the Panel’s recommendations, which included: (1) continued recognition of FASAB under Rule 203, (2) discontinuance of the 5-year sunset review requirement, (3) allow FASAB to carry out AICPA recommendations using its existing structures, (4) continue the AICPA Rule 203 Review Panel and (5) mandating the AICPA Rule 203 Review Panel to report back to the AICPA Board of Directors no later than May 2012 commenting on FASAB’s satisfactory implementation to date and whether any future actions were needed.

After discussion, upon a motion duly made and seconded, the Board approved the following resolution:

WHEREAS, The AICPA Board of Directors, pursuant to the resolution of Council, has reviewed the operations of the Federal Accounting Standards Advisory Board (FASAB);

WHEREAS, Based on that review the Board has concluded that FASAB should continue to be designated as the entity to establish accounting principles for federal governmental entities under Rule 203, subject to the satisfactory implementation of the recommendations made to FASAB by the AICPA Board of Directors;

NOW THEREFORE BE IT RESOLVED, That the Board hereby recommends to Council that it approve the resolution set forth below thereby continuing the designation of FASAB as the body to establish accounting principles for federal governmental entities under Rule 203; and

BE IT FURTHER RESOLVED, That the FASAB Rule 203 Review Panel shall monitor FASAB's implementation of the Board's recommendations to FASAB for a period of two years and report to the Board at the end of that time.

Review of the Agenda for the 2010 Spring Meeting of Council

Bob Harris, Barry Melancon and Jay Rothberg discussed the proposed agenda for the spring meeting of Council and received input from the members of the Board.

Report from the Finance Committee

Richard Caturano, Chairman of the Finance Committee, reported on the Institute's current financial results. He said the net operating income forecast of \$2.1 million was consistent with the prior forecast and on target with the budget.

However, he noted that the volatile interest rate market could have a negative impact on the forecast relative to pension expense.

Mr. Caturano said management continues to monitor cash flow projections and is currently projecting a maximum draw of \$10 million on its line of credit in May 2010, which is approximately \$3 million better than the last forecast mainly due to timing of its capital expenditures. He said this was \$8 million less than the actual draw in May 2009 of \$18 million.

He said the annual dues revenues forecast was \$500,000 favorable to budget and that the Institute expected to achieve its budgeted 94% retention rate. In terms of investments, Mr. Caturano said the long-term investments and pension plan portfolios continue to outperform their respective benchmarks. He said he attended a recent meeting of the Institute's Investment Committee and was very impressed with its individuals involved and their deliberations.

Mr. Pugliese then reported on the proposed budget for Fiscal 2011. He said the budget had an operating profit of \$300,000. He reviewed the highlights of the budget, which included a dues increase of \$5 for certain, but not all, membership categories. He said the budget called for a 94.75% retention rate. Mr. Pugliese highlighted the revenue and expense variances from the prior year and reported that the budget included a Capital Budget of \$6.8 million.

After discussion, upon a motion duly made and seconded, the Board approved the proposed budget for Fiscal 2011.

The financial statements for the current year are at **Appendix A** in the official minute records of the AICPA.

Mr. Pugliese said the Finance Committee recommended a change in custodian for the AICPA Long Term Investment Pool. After discussion, upon a motion duly made and seconded, the Board approved the following resolution:

WHEREAS the American Institute of Certified Public Accountants (“AICPA”) maintains the AICPA Long Term Investments Pool (“Long Term Pool”); and

WHEREAS the Board of Directors of the AICPA now desires to remove U.S. Bank, N.A. and appoint Wells Fargo Bank, N.A. as successor Custodian of the Long Term Pool;

NOW THEREFORE BE IT RESOLVED that pursuant to Article 15, Section 15.1 of the Master Custody Agreement, the Board of Directors hereby removes and terminates U.S. Bank, N.A. as the Custodian and appoints Wells Fargo Bank, N.A. in its place; and

BE IT FURTHER RESOLVED that the appropriate employees of the AICPA deliver written notice to U.S. Bank, N.A. of its removal and termination pursuant to Article 15, Section 15.1 of the Master Custody Agreement ; and

BE IT FURTHER RESOLVED that the appropriate employees of the AICPA are hereby authorized and empowered to execute all documents and perform all acts necessary to affect this resolution.

BE IT FURTHER RESOLVED, that all actions previously taken by an officer, employee or agent of the AICPA in connection with or related to the matters set forth in or reasonably contemplated or implied by the foregoing resolution be, and each of them hereby is, adopted, ratified, confirmed, and approved in all respects as the acts and deeds of the AICPA.

Legal Update and Secretary's Report

Richard Miller, General Counsel and Secretary, provided the Board with a Legal Update.

Mr. Miller then delivered the Secretary's Report. Membership ballots No. 901, 902 and 903 for the time period of January 16, 2010 to April 14, 2010

admitting 3282 members, accepting 97 resignations, 640 reinstatements and 2 advances of dues, were received and approved.

Upon a motion duly made and seconded, the Board accepted the Secretary's Report.

The Secretary's Report is at **Appendix B** in the official minute records of the AICPA.

Executive Session

The Board convened into executive session at 11:15 a.m. after which the regular Board meeting reconvened at 11:45 a.m.

* * * *

There being no further business, the meeting adjourned at 11:45 p.m. on Friday, April 23, 2010.