AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

BOARD OF DIRECTORS

MINUTES OF MEETING – AUGUST 4-5, 2011

A meeting of the AICPA Board of Directors was held Thursday, August 4 and Friday, August 5, 2011 at the AICPA's New York City Office. The meeting convened at 8:30 am on Thursday, August 4.

Attendance

The following Board members were present:

Paul Stahlin, Chairman
Greg Anton, Vice Chairman
Robert Harris, Immediate Past Chairman
Tommye Barie
Allyson Baumeister
Rich Caturano
Patricia Cochran
Bob Graham
Rodney Harano
Carter Heim
Mark Hildebrand
Henry Keizer
Teresa Mason
Bill McKenna
Barry Melancon
Jay Moeller
Karen Pincus
Bill Reeb
Bill Schneider
Monica Sonnier
Charles Weinstein

Also present:

Jeannine Birmingham, President & CEO
Alabama Society of CPAs
Ralph Cox, Chairman (via phone)
Life Insurance/Disability Plans Committee

Meloni Hallock, Chair
Investments Committee
Carlos Johnson, Recipient – Special Recognition Award
Stephanie Peters, President & CEO
Virginia Society of CPA

Erik Asgeirsson, Chief Executive Officer
CPA2Biz
Michael Buddendeck, General Counsel and Secretary
Sheri Bango Cavaney, Vice President
Practice Mobility and State Regulatory and Legislative Affairs
Susan Coffey, Senior Vice President
Public Practice and Global Alliances
Robert Durak, Senior Technical Advisor
Accounting Standards/Private Company Financial Reporting
Joanne Fiore, Director
Magazines and Newsletters
Fred Gill, Senior Technical Manager
Accounting Standards
Gil Nielsen, Director, Media Relations
Susan Jolicoeur, Senior Manager
State Regulation and Legislation
Ed Karl, Vice President
Taxation
Cynthia Lund, Vice President
State Society Affairs
Janice Maiman, Senior Vice President
Communications and Media Relations
Jim Metzler, Vice President
Small Firm Interests
Hemchandra Nerkar, Vice President
Information Technology
Dan Noll, Director
Accounting Standards
Mark Peterson, Senior Vice President
Government and Public Affairs
Tony Pugliese, Senior Vice President
Finance, Operations and Member Value
Cheryl Gravis Reynolds, Director
Communications
Jay Rothberg, Vice President – Office of the CEO
Carol Scott, Vice President
Business, Industry and Government
Scott Spiegel, Chief Financial Officer
Arleen Thomas, Senior Vice President
Management Accounting

Victor Velazquez, Senior Vice President
People, Strategy and Enterprise Management
Mat Young, Vice President
State Regulatory and Legislative Affairs

Introduction and Chairman's Report

Paul Stahlin, Chairman of the Board, opened the meeting by welcoming the Board members. He recognized the outgoing members of the Board and thanked them for their contributions to the AICPA and the CPA profession. Mr. Stahlin introduced Jeannine Birmingham, President and CEO of the Alabama Society of CPAs and Stephanie Peters, President and CEO of the Virginia Society of CPAs, as representatives of CPA/SEA.

Mr. Stahlin reported on his activities since the April Board meeting which included visits to 7 state CPA societies, 6 firms and meetings with 12 Chief Financial Officers. He said he also spoke and participated in Interchange, the Major Firms Group, Group of 400 meetings and the Vision Forum.

Mr. Stahlin asked the members of the Board to review and comment on the Summary of Participants' Evaluations for the spring 2011 Council meeting. He said he was very pleased with the strong support for the AICPA's Joint Venture with the Chartered Institute of Management Accountants and that the overall evaluations of the meeting were very positive. The Board members concurred.

The Chairman asked the Board members to review the listing of proposed nominees for senior AICPA committees. After discussion, upon a motion duly made and seconded, the Board approved the committee appointments.

Mr. Stahlin asked Vice Chairman Greg Anton to report on his appointments for the Board committees for 2011-2012.

Approval of Minutes

After discussion, upon a motion duly made and seconded, the minutes of the April 28-29, 2011 executive session and regular session meeting, were approved.

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

Report from the President and CEO

Mr. Melancon briefed the Board members on a number of organizational and professional issues. He reported on a recent staff reorganization, which was effective August 1, 2011. This reorganization created several new senior vice presidents and vice presidents at the AICPA. Mr. Melancon also said that with Rich Miller's retirement and Mike Buddendeck's succeeding him, Mike's appointment as the Institute's corporate secretary needed to the approved by the Board of Directors. After discussion, upon a motion duly made and seconded, the Board approved the following resolution:

WHEREAS, the AICPA Board of Directors, pursuant to AICPA Bylaw Section 3.5.1, is empowered to appoint officers of the Institute, including corporate secretary.

WHEREAS, Richard I. Miller, former General Counsel and Secretary of the Institute, retired effective August 1, 2011.

WHEREAS, Michael J. Buddendeck has succeeded Richard I. Miller as General Counsel of the Institute.

NOW THEREFORE BE IT RESOLVED, that Michael J. Buddendeck, the General Counsel of the Institute, is hereby appointed to the office of Secretary, and shall have such term of office, powers, and privileges as the Board of Directors may prescribe.

Mr. Melancon updated the Board members on several professional issues related to the FAF and FASB, the SEC and PCAOB. He reported that the Institute's new Strategic Plan would be presented to the Board at its November 2011 and January 2012 meetings. He said the Uniform CPA Exam was offered to candidates overseas for the first time beginning on August 1, 2011.

The Board convened into executive session at 9:30 a.m. after which the regular Board meeting reconvened at 9:55 a.m.

<u>Review of the AICPA's Benevolent Fund Amended Bylaws</u>

Scott Spiegel, Chief Financial Officer, said that the Trustees of the AICPA Benevolent Fund were seeking the Board's approval of proposed amendments to the Benevolent Fund bylaws. He said the amendments streamline and enhance clarity of the Benevolent Fund's purpose, its Board of Trustees and related duties and associated meetings of the Board of Trustees and Members of the Fund. After discussion, upon a motion duly made and seconded, the Board approved the amendments to Articles 2.2., 3, 5.2, 6, 7 and 8.

The amended Bylaws of AICPA Benevolent Fund, Inc. as of August 5, 2011 is at **Appendix A** in the official minute records of the AICPA.

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 loss forecast of $400,000 was discussed and approved by the Finance Committee and compared with the prior forecast of a loss of $1.4 million and a budgeted operating profit of $300,000. He said the forecast improved primarily due to a reduction in meetings and travel and consulting expenses. Mr. Caturano added that this forecast did not include any potential additional pension expense at this time although management noted that some amount of additional pension expense was likely.

Mr. Caturano said management continued to monitor its cash flow and noted that Fiscal 2011 was the second consecutive year that the AICPA did not have to draw from its line of credit. He said that for Fiscal 2012 the AICPA was anticipating drawing $12 million from its line of credit primarily because of $7 million to be spent on the Council-approved CGMA initiative.

Mr. Caturano said the investments in the both the long-term and pension portfolios continued to do well and are performing in-line with their peer indices. He said the investments in the long-term portfolio had net gains of approximately $13.5 million for Fiscal Year 2011.

Tony Pugliese, Senior Vice President – Finance, Operations and Member Value, reported that the AICPA's membership had another record year. The AICPA ended the fiscal year with more than 352,000 regular voting members and 377,000 total members. The retention rate and number of new members both exceeded the budgeted targets. He said the renewals for Fiscal 2012 were slightly behind the prior year and that management was monitoring this situation closely as this was likely attributable to a timing difference of when larger firm-based payments were received year-over-year.

Mr. Caturano said that the Finance Committee supported authorizing the AICPA's management team to enter into refinancing discussions regarding the Institute's long-term debt. After discussion, upon a motion duly made and seconded, the Board approved the following resolution:

WHEREAS, the Board had determined that it was appropriate that the AICPA enter into loan renegotiation discussions with certain financial institutions with respect to its existing term loan (or such other extension of credit) with Wells Fargo Bank, N.A. (successor by merger to Wachovia Bank, National Association) to take advantage of the lower interest rate environment.

NOW, THEREFORE, BE IT RESOLVED, that the President, the Senior Vice President - Finance, Operations & Member Value and the General Counsel & Secretary of the AICPA and their designees be, and each of them hereby is, authorized and directed to negotiate the terms of a renegotiated loan agreement (or such other extension of credit) to achieve the above result 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 effect this resolution, and

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.

Mr. Caturano said the Finance and Investments Committee recommended changes to the AICPA's Investment Policy Statement placing greater fiduciary responsibilities on the Finance Committee. These changes will include the Finance Committee being able to change asset allocation strategies, investment structure and investment managers. These changes were made based on the recommendations of the AICPA's investment consultant, Aon Hewitt. After discussion, upon a motion duly made and seconded, the Board approved the recommendations of the Finance Committee.

Report from the Chair of the Investments Committee

Meloni Hallock, Chair of the Investments Committee, presented the Committee's annual report to the Board. She provided the Board with background information on the committee, including its mission and core responsibilities. She reviewed the portfolio composition and overall performance versus established benchmarks.

Ms. Hallock explained the committee's key projects and answered questions from the members of the Board. She said the committee completed a Request for Proposal for the AICPA's 401(k) Plan during the past year and decided to retain Schwab as the record keeper. She said the committee also revised the Institute's Investment Policy Statement, which was approved by the Finance Committee and Board. Ms. Hallock reviewed the investment manager changes of the past year and said the AICPA had added Target Date Mutual Funds to its employees' 401 (k) Plan on August 1, 2011.

After discussion, upon a motion duly made and seconded, the Board approved the report of the Investments Committee.

Presentation of the Special Recognition Award

Mr. Stahlin presented a Special Recognition Award to Carlos E. Johnson for his many years of service and significant contributions to the AICPA and the CPA profession in the area of state legislative and regulatory affairs.

Recommendation of Candidates for the 2011-2012 AICPA Nominations Committee

Mr. Stahlin reported that Bob Harris, Immediate Past Chairman, Greg Anton, Vice Chairman and he had, according to procedures approved by the Board of Directors, considered candidates for the Nominations Committee and recommended two possible slates for the Board' s consideration. He said they had considered candidates' geographic location, employment and general background with the goal of selecting a group representative of the membership. He said that if members of the Board wanted to substitute candidates from one of the slates or add candidates, the Board should take into account the candidates' background so as to maintain a representative membership balance.

After discussion, upon a motion duly made and seconded, the Board approved, with one abstention, recommending to Council the first slate. The names will be presented to the governing Council in October 2011.

Report from the Chair of the Audit Committee

Patricia Cochran, Chair of the Audit Committee, reported that the committee received a comprehensive update on the AICPA's Information Technology activities by Hemchandra Nerker, the Vice President – Information Technology. Mr. Nerker reported on the overall Information Technology "road map" project as well as the data dimensions project, Learning Management System, PRISM, CGMA website and Disaster Recovery plan.

Ms. Cochran said the external auditors were well underway with the annual audit. She said the past year's internal audit projects were completed on time and the Committee had reviewed and prioritized the AICPA's organizational risks. Ms. Cochran added that the committee also approved the Audit Plan for Fiscal Year 2012.

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

AICPA/CIMA Joint Venture Update

Arleen Thomas, Senior Vice President – Management Accounting, said the overall member reaction to the Joint Venture has been very positive. She outlined the CGMA Program teams, the guiding principles behind the effort and the roles and responsibilities of the Joint Venture. She then reviewed the proposed CGMA Program Governance.

After discussion, upon a motion duly made and seconded, the Board approved the following resolution regarding the AICPA's representatives on the Joint Venture's Board of Directors:

WHEREAS, the AICPA Board of Directors, or its designee, is authorized to take any action necessary to implement the resolutions of Council with regard to the CGMA credential.

WHEREAS, Council authorized the creation by the AICPA and Chartered Institute of Management Accountants of a joint venture to achieve the CGMA objectives.

WHEREAS, the parties to the joint venture each will designate an equal number of persons to the joint venture board of directors to ensure equal representation on the joint venture board.

NOW THEREFORE BE IF RESOLVED, that subject to the formation of the joint venture, AICPA's President and Chief Executive Officer shall be designated as one of the AICPA's directors on the joint venture board and that the remaining AICPA representatives to the joint venture board will be designated annually by the Vice Chair of AICPA's Board of Directors following a consultive process amongst the AICPA officers consistent with the committee appointment process.

Also, after discussion, upon a motion duly made and seconded, the Board approved the following resolution regarding the establishment of three separate subsidiaries under the Joint Venture and the AICPA President and CEO's authority to take certain actions relative to the establishment and maintenance of these subsidiaries.

WHEREAS, the AICPA board of Directors, or its designee, is authorized to take any action necessary to implement the resolutions of Council with regard to the CGMA credential.

WHEREAS, Council authorized the creation by the AICPA and Chartered Institute of Management Accountants of a joint venture to achieve the CGMA objectives.

WHEREAS, the ownership of the joint venture shall be 60 (sixty) percent owned by AICPA, and 40 (forty) percent owned by CIMA.

WHEREAS, CIMA will utilize two corporate entities to act as members of the joint venture, together which shall represent CIMA's 40 (forty) percent ownership interest in the joint venture.

NOW THEREFORE BE IT RESOLVED, that AICPA's Board of Directors authorizes the creation of three wholly owned subsidiaries that are limited liability companies, each of which individually will be members of the joint venture, and all three subsidiaries together will represent AICPA's 60 (sixty) percent ownership interest in the joint venture; and

BE IT FURTHER RESOLVED, that AICPA's Board of Directors authorizes AICPA's President and Chief Executive Officer to take any action necessary to facilitate the creation and maintenance of the three wholly owned limited liability companies, and to execute an deliver any agreements, instruments, or other documents including, but not limited to, corporate registration, appointing officers, government filings, bank account creation, or other requirements that are or may be necessary in connection therewith.

International Financial Reporting Standards (IFRS)

Dan Noll, Director of Accounting Standards and Fred Gill, Senior Technical Manager of Accounting Standards, briefed the Board on the SEC's IFRS "Condorsement" paper. They explained the objective, framework and importance of the SEC paper. The Board members discussed FASB's future role in the IASB process, the projected transition issues and ongoing and future IFRS projects. Messrs. Noll and Gill outlined what the staff identified as the advantages and disadvantages of Condorsement and how they developed the AICPA staff positions.

There was general consensus among the members of the Board in support of the staff's recommendations.

Presentation from the Life Insurance/Disability Plans Committee

Ralph Cox, Chairman of the Life Insurance/Disability Plans Committee, stated that the Life Insurance/Disability Plans Committee, had two recommendations for which the Committee was seeking the Board's approval. The first recommendation involved the introduction of a new life insurance program under the Group Insurance Plan that was targeted for firms with 50 or more owners and employees. The plan provided greater coverage and more flexibility than the current program. 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, that a new life insurance program be offered under the Group Insurance Plan of the AICPA Insurance Trust effective January 1, 2012; and be it FURTHER RESOLVED, that the new life insurance program will be available to firms with at least 50 owners and employees and will include the following features:

A. Amounts of Insurance.

1. Life Insurance provided by firm.

   a. Owners – from $500,000 to $1,000,000 with employees insured for 2 times or 3 times earnings up to the maximum life insurance amount on owners.
   b. Owners – from $50,000 to $500,000 with employees insured for 1 time, 2 times or 3 times earnings up to the maximum life insurance amount on owners.
   c. Increments of $50,000 starting at $50,000 and ending at $300,000.
   d. Increments of $100,000 starting at $300,000 and ending at $1,000,000.

2. Limitations on amounts of life insurance otherwise applicable for owners and employees.

Ages	**Limit**
65 – 69	75%
70 – 74	50
75 – 79	35
80 & Over	25

B. Living Benefits to be Included – Up to 75% of the life insurance amount could be paid to an insured with a life expectancy of six months or less.

C. Optional Benefits Available (a Firm Election).

1. Accidental Death and Dismemberment – 50% or 100% of life insurance amount.

2. Waiver of premiums to age 60.

3. Dependents life insurance.

   a. Spouse - $25,000 maximum; not to exceed 25% of life insurance in force on owner or employee.
   b. Child - $10,000.

D. Other features.

1. Underwriting - must be actively at work for coverage to commence. No need to answer any medical questions or be examined by a medical practitioner.

2. Eligibility for coverage – 20 or more work hours per week.

3. Census data for owners and employees (and dependents, if applicable) submitted periodically.

4. Firms would be eligible for refunds. However, premium rates are set so that no refunds are expected to be paid to such firms at the current time. Individual AICPA members would continue to be eligible for refunds, if earned.

; and be it

FURTHER RESOLVED, that the monthly Premium Rates per $10,000 of coverage under the life insurance program for firms with 50 or more covered lives be as follows:

Group Insurance Plan
Monthly Premium Rates
For Firms With a Total of At Least 50 Owners and Employees
Per $10,000 of Coverage

	Monthly Rates Per $10,000*		
Age	**Life**	**Waiver**	**AD&D**
Under 30	$ .16	$.01	$.10
30 - 34	.22	.02	.10
35 - 39	.28	.03	.10
40 - 44	.36	.05	.10
45 - 49	.55	.08	.10
50 - 54	.90	.15	.10
55 - 59	1.56	.39	.10
60 - 64	3.38	N/A	.10
65 - 69	6.71	N/A	.10
70 - 74	11.37	N/A	.10
75 - 79	16.34	N/A	.10
80 & Over	25.87	N/A	.10

* For firms that elect dependents life insurance (Spouse - $25,000 maximum; not to exceed 25% of life insurance in force on owner or employee and Child $10,000 maximum) the monthly premium is an additional $2.00 per month for each owner and employee of the firm.

; and be it

FURTHER RESOLVED, that, the AICPA Life Insurance/Disability Plans Committee be and hereby is directed to 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.

Mr. Cox said the second recommendation involved extending the termination ages for dependent children under the Group Insurance Plan for firms and the Individual Life Insurance Program. 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, that the termination age for dependent child coverage shall be increased from age 21 to age 25 under the dependent coverage provisions of the Group Insurance Plan, CPA Life Insurance Plan – Members, CPA Life Insurance Plan – Spouses, Group Variable Universal Life Insurance Plan, Level Premium Term Life Insurance Plan – Members and Level Premium Term Life Insurance Plan – Spouses, effective October 1, 2011; and be it

FURTHER RESOLVED, that, dependent child coverage may be continued beyond age 25 for a qualified dependent who is mentally or physically incapable of earning a living under the Group Insurance Plan, CPA Life Insurance Plan – Members, CPA Life Insurance Plan – Spouses, Group Variable Universal Life Insurance Plan, Level Premium Term Life Insurance Plan – Members and Level Premium Term Life Insurance Plan – Spouses, effective October 1, 2011; and be it

FURTHER RESOLVED, that, the AICPA Life Insurance/Disability Plans Committee be and hereby is directed to make all changes necessary to effect this amendment to the Group Insurance Plan, CPA Life Insurance Plan – Members, CPA Life Insurance Plan – Spouses, Group Variable Universal Life Insurance Plan, Level Premium Term Life Insurance Plan – Members and Level Premium Term Life Insurance Plan – Spouses and policies 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 Plans and policies in accordance with the above Resolutions.

Review of the Agenda for the 2011 Fall Spring Meeting of Council

Messrs. Stahlin, Melancon and Rothberg discussed the proposed agenda for the Fall 2011 meeting of Council and received input from the members of the Board.

Legal Update and Secretary's Report

Michael Buddendeck, General Counsel and Secretary, provided the Board with a Legal Update.

Mr. Buddendeck then delivered the Secretary's Report. Membership ballots No. 915, 916, and 917 for the time period of April 19, 2011 to July 25, 2011 admitting 7910 members, accepting 148 resignations, 171 reinstatements and 34 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.

Private Company Financial Reporting

Dan Noll, Director of Accounting Standards, reviewed the Financial Accounting Foundation's and FASB's recent activities relative to private company financial reporting.

Bob Durak, Senior Technical Advisor of Accounting Standards/Private Company Financial Reporting, outlined the AICPA's actions and the member response to date. He said more than 1400 members and 19 state CPA societies had written FAF supporting a separate board to set differential standards for private companies.

Messrs. Stahlin, Melancon, Noll and Durak led the Board through a discussion on the subject.

Executive Session

The Board convened into executive session at 4:30 pm and adjourned at 5:00 pm on Thursday, August 4. The Board held a second executive session beginning at 8:45 a.m. on Friday, August 5 and reconvened into the regular meeting at 9:20 a.m. on Friday, August 5.

CPA Horizons 2025

Mr. Stahlin reviewed the key activities and milestones of the CPA Horizons 2025 initiative. He said he was very pleased with the member participation and input received to date. Mr. Stahlin said he anticipated bringing the final CPA Horizons 2025 recommendations to Council at its fall 2011 meeting.

Washington and Tax Update

Mark Peterson, Senior Vice President – Congressional and Political Affairs, briefed the Board on a number of legislative and regulatory issues in which the profession was involved. These included tax strategy patents, 3 percent withholding and the tax preparer registration regulations.

Ed Karl, Vice President – Taxation, updated the Board members on the tax preparer registration, tax reform and simplification and debt ceiling legislation, uncertain tax positions, due dates legislation and the IRS' 10,000 Letters initiative.

Messrs. Peterson and Karl received input from the members of the Board and answered a number of Board members' questions.

Hong Kong MRA

Suzanne Jolicoeur, Senior Manager – State Regulation and Legislation, briefed the Board on the International Qualifications Appraisal Board's work and discussions relative to approving a Mutual Recognition Agreement (MRA) with the Hong Kong Institute of Certified Public Accountants. She said IQAB recommends approval of the MRA and that the NASBA Board of Directors recently approved the MRA at its July, 2011 meeting. After discussion, upon a motion duly made and seconded, the Board approved the following resolution:

WHEREAS, The International Qualifications Appraisal Board has submitted a Mutual Recognition Agreement with the Hong Kong Institute of Certified Public Accountants and requests that the Agreement be approved by the AICPA Board of Directors;

NOW, BE IT RESOLVED, That, having reviewed the material, the AICPA Board of Directors hereby approves the Mutual Recognition Agreement with the Hong Kong Institute of Certified Public Accountants.

UAA Report

Sheri Bango Cavaney, Vice President – Practice Mobility and State Regulatory and Legislative Affairs, updated the Board members on the CPA firm name provisions in the Uniform Accountancy Statute and Rules. She explained the proposed changes to the AICPA/NASBA Model Act and the proposed changes to the NASBA Model Rules. She gave examples of situations which would be accepted and those that would not be allowed. After discussion, upon a motion duly made and seconded, the Board approved the following resolution:

WHEREAS, the Board, at its November 2010 meeting, approved the exposure of proposed revisions to the AICPA/NASBA Uniform Accountancy Act (UAA) and endorsed the exposure of proposed revisions to the NASBA UAA Rules, which were included in the same Exposure Draft; and

WHEREAS, the Board has been provided in background material for Agenda Item 20 (a), with proposed revisions to Section 14(i) of the AICPA/NASBA UAA, which allows for the use of a Network Name under certain circumstances and with proposed language for inclusion in NASBA UAA Rules – Article 14-1 with regard to misleading firm name, which consists of revisions to material in the exposure draft based on comments received during the exposure period;

NOW BE IT RESOLVED, That, having read and considered the above material, the AICPA Board of Directors hereby approves the proposed language on use of Network Name in Section 14 (i) of the UAA and directs that the UAA Statute be revised as set out in the material for Item 20(a); and

BE IT FURTHER RESOLVED, That the Board of Directors supports the joint work of the AICPA and NASBA UAA Committees in connection with firm name and hereby endorses the proposed language in NASBA UAA Rules - Article 14 (1) (a) – (d) on CPA firm names as set out in the materials for Item

20(a) to be finalized and included in the next edition of the NASBA UAA Rules document; and

BE IT FURTHER RESOLVED, That the AICPA Board of Directors urges NASBA to work collaboratively with AICPA on an as needed basis to achieve uniform adoption of language by state boards of accountancy which would provide clarity and guidance on the use of firm names.

Suzanne Jolicoeur, Senior Manager, State Regulation and Legislation, provided the Board members with the background and reasoning for the proposed changes to the AICPA and NASBA Standards for Continuing Professional Education Programs. After discussion, upon a motion duly made and seconded, the Board approved the following resolution:

WHEREAS, the AICPA and NASBA Standards for Continuing Professional Education (CPE) Programs are included as an Appendix to the Uniform Accountancy Act; and

WHEREAS, the Joint AICPA/NASBA CPE Standards Committee has submitted revised standards for CPE Programs and has requested that the AICPA Board of Directors approve the exposure of the revised standards for public comment;

NOW BE IT RESOLVED, That having reviewed the proposed standards, the AICPA Board of Directors hereby approves the proposed revised standards for CPE Programs as set out in the material provided to the Board for the purposes of including them in an exposure draft for public comment.

Ms. Cavaney closed the presentation by updating the Board members on the AICPA's and NASBA's work to date on possible revisions to the Uniform Accountancy Act's definition of attest and attest services. She answered questions from the members of the Board and received their input.

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There being no further business, the meeting adjourned at 11:50 a.m. on Friday, August 5, 2011.