

# Facts About FinREC

*A publication of the Financial Reporting Executive Committee and the Accounting Standards Team of the AICPA.*

## **Purpose of FinREC**

The Financial Reporting Executive Committee (FinREC) (formerly Accounting Standards Executive Committee) is the senior technical committee of the Institute for financial reporting. It is authorized to make public statements on behalf of the Institute on financial reporting matters without the clearance of either the Council or the board of directors of the Institute and to clear statements of other committees that include references to financial reporting positions.

The mission of FinREC is to determine the Institute's technical policies regarding financial reporting standards and to be the Institute's spokesperson on those matters, with the ultimate purpose of serving the public interest by improving financial reporting.

FinREC accomplishes this mission primarily by

- influencing the form and content of pronouncements of the Financial Accounting Standards Board (FASB) and other bodies having authority over financial reporting standards, such as the International Accounting Standards Board (IASB), the Governmental Accounting Standards Board (GASB), and the Federal Accounting Standards Advisory Board (FASAB).
- seeking to identify, through cooperation with other AICPA bodies and others, financial accounting issues for which guidance from the FASB or others is needed.
- providing needed nonauthoritative guidance on financial reporting matters that authoritative-standards setters either are not expected to address or are not expected to address in a timeframe that FinREC considers desirable.

## **Meetings**

FinREC generally meets four to six times a year. Meetings are open to the public except for sessions dealing with administrative or confidential matters, which are not open to the public. FinREC Planning Subcommittee (PSC) assists the chair of FinREC in the execution of certain strategic, administrative, and technical responsibilities. With the FinREC chair, the PSC establishes priorities for projects and monitors their progress. The PSC also clears GASB and FASAB comment letters issued by the State and Local Government Expert Panel.

### ***Audit and Accounting Guides***

The objective of audit and accounting guides is to deal with particular areas in financial reporting that require attention, such as financial reporting related to fair value, or with industries, such as the construction industry, that have specialized accounting practices, significant or unique accounting issues, or unique regulatory considerations.

Various committees or task forces of the Institute may draft and issue audit and accounting guides. However, descriptions of accounting principles and financial reporting practices in audit and accounting guides require the affirmative vote of at least two-thirds of the members of FinREC and ultimately represent the views of FinREC. Guides are subject to FinREC's full due process.

Note that the guides pertaining to nongovernmental entities are not authoritative sources of GAAP. The FASB's Codification is the single source of authoritative U.S. GAAP for nongovernmental entities.

### ***Letters of Comment***

FinREC is generally responsible for letters of comment to groups outside the AICPA, such as the Securities and Exchange Commission (SEC), the FASB, the GASB, the IASB, the FASAB, or other agencies or groups, on proposals that relate to financial reporting.

### ***Public Statements***

As a senior technical committee, FinREC is authorized by the Council to make public statements without clearance with the Council or the board of directors on matters related to its area of operations.

### **Members of FinREC**

FinREC members by and large are members of the AICPA. The chair and members of FinREC are appointed annually by the chair of the board of the Institute, with the approval of the board of directors. The chair must be a member of the AICPA. The chair may appoint a vice-chair from among the FinREC membership and delegate certain of the chair's duties to the vice-chair. Each member would normally not serve more than three years, though the chair may serve as chair for up to three years in addition to service as a nonchair member. Former members who have been off FinREC for at least one year are eligible to become members again.

As of March 2018 the members are as follows:

Jim Dolinar, Chair	Crowe Horwath
Kelly Ardrey Jr.	Western Alliance Bank Member FDIC
Michelle Avery	Veris Consulting, Inc.
Cathy Clarke	CliftonLarsonAllen
Mark Crowley	Deloitte & Touche
Dick Dietrich	The Ohio State University

Bill Fellows – Valuation Observer	Deloitte & Touche
Josh Forgione	Ernst & Young
Angela Newell	BDO
Mark Northan	KPMG
Bill Schneider	AT&T
Jay Seliber	PricewaterhouseCoopers
Jeff Sisk	Cummins Inc.
Lynne Triplett	Grant Thornton
Jeremy Whitaker	Lantronix
Mike Winterscheidt	Scientific Games
Aleks Zabreyko	Connor Group

**Members of FinREC – Biographical Information**

**Jim Dolinar** is the managing partner of the Assurance Professional Practice (APP), which functions as Crowe’s national office. In this capacity, he is responsible for the Firm’s quality control function which includes matters related to accounting, auditing, ethics, independence, inspections and monitoring as well as practice matters related to the Securities and Exchange Commission (SEC) and other regulators. Jim previously served as the partner-in-charge of accounting in the national office. Prior to joining Crowe’s national office, he served as an engagement partner in the commercial audit practice. Jim currently serves as the Vice-Chair on the Center for Audit Quality’s (CAQ) Professional Practice Executive Committee (PPEC), and also serves on the CAQ’s Research Advisory Board (RAB). In addition, Jim has served as a member of the AICPA Technical Standards Committee and as the chair of the AICPA U.S. Department of Labor (DOL) Technical Standards Subcommittee. He has also served on many internal committees within Crowe. Jim holds a Bachelor of Science in Accounting from Northern Illinois University, DeKalb, Illinois. He is a certified public accountant, licensed in Illinois, and a member of the AICPA, and the Illinois CPA Society.

**J. Kelly Ardrey Jr.** has spent the past 25 years in the financial services industry. Mr. Ardrey serves as the Chief Accounting Officer of Western Alliance Bancorp (WAL), a \$20 billion commercial bank, where he is responsible for SEC reporting, operational accounting, mergers & acquisitions, and financial planning & analysis. Prior to joining Western Alliance, Mr. Ardrey served as EVP-Accounting Policy with Countrywide Bank, CFO & Managing Director with SunTrust Robinson Humphrey, and Co-head of finance for Derivatives Trading & Balance Sheet Management with First Union Bank. Mr. Ardrey is a graduate of Wake Forest University with a BS in Accounting and holds an active CPA license.

**Michelle Avery** is President and Senior Managing Director at Veris Consulting, which specializes in providing forensic accounting and expert witness services to prominent law firms in high-profile domestic and international civil litigation involving complex accounting, financial reporting and economic damage issues. Michelle has extensive experience leading major dispute resolution engagements, frequently involving allegations of misstated financial statements, inadequate disclosures, auditor malpractice and director and officer liability. She has served as a member of the NAIC/AICPA Working Group Task Force and the International Association of Insurance Receivers Board of Directors. She currently serves on the James Madison University School of

Accounting Guiding Executive Board and the College of William & Mary Mason School of Accounting Programs Board. Michelle is a Certified Public Accountant, licensed in Virginia, and is Certified in Financial Forensics. Michelle earned a Bachelor of Business Administration with a major in Accounting from the College of William & Mary.

**Cathy Clarke** is the Chief Assurance Officer for CliftonLarsonAllen LLP (CLA) with over 20 years of public accounting experience. At CLA, her primary responsibilities include overseeing the quality control and training for the assurance and accounting practice for the firm. Cathy has specialized in providing consulting, accounting and auditing services to a variety of clients, with a focus on the not-for-profit, health care, HUD organizations. She also has significant experience in dealing with audit compliance issues and the wide variety of challenges faced by these industries. Cathy has a Bachelors of Science Business degree in accounting, University of Minnesota's Carlson School of Management. She is a CPA and is a member Minnesota Society of Certified Public Accountants (MNCPA) and the American Institute of Certified Public Accountants (AICPA). She is also a member of various FASB committees.

**Mark Crowley** is a certified public accountant with over 22 years of experience in providing accounting and audit services. As part of Deloitte's National Office Accounting Services group, he advises the firm and clients on implementing and interpreting new and emerging standards in his areas of expertise. Over the past several years, he has led the team in Deloitte's National Office responsible for following the development of the new revenue recognition standard. He is also a member of Deloitte's Expert Advisory Panel on revenue, which has responsibility for advising the global firm on all matters related to accounting standards for revenue. In addition, Mark was appointed to, and current serves on, the joint IASB/FASB Revenue Transition Resources Group, a group responsible for informing the IASB and the FASB about interpretive issues that could arise when companies, institutions, and other organizations implement the new revenue recognition standard. Mark has broad experience in both public and private company accounting and reporting requirements, including mergers and acquisitions, dispositions, and initial public offerings. He has worked in Deloitte's National Office Accounting Consultation advising clients on technical accounting matters and served as advisor to Deloitte's representative on the Emerging Issue Task Force (EITF). Mark received a Business Administration degree in Accounting from Miami University and is a member of the American Institute of Certified Public Accountants.

**Dick Dietrich** is a professor of accounting and chair of the Fisher College's Department of Accounting and Management Information Systems at The Ohio State University. Prior to joining Fisher College in October 2000, Dick was academic fellow in the Securities and Exchange Commission's Office of the Chief Accountant. Dick also served on the Public Company Accounting Oversight Board's Standing Advisory Group from January 2007 through December 2008. His academic career includes appointments as the Deloitte & Touche Professor of Accountancy at the University of Illinois at Urbana-Champaign and Professor of Accounting and Peat Marwick Faculty Fellow at the University of Texas at Austin. Dick also has held visiting faculty positions at Carnegie-Mellon University and the University of Chicago. Dick holds four degrees from Carnegie-Mellon University: B.S. in Physics, M.S. in Measurement and Control, M.S. in Accounting, and Ph.D. in Industrial Administration (with an emphasis in accounting).

**Bill Fellows** is a Partner in the Deloitte Advisory Valuation and Modeling Practice. Bill specializes in financial instruments and transactions valuation, accounting, and risk management. He helps his clients with a range of issues, including governance and strategy, transaction structuring and model risk management. Bill leads Deloitte's Financial Instruments Audit Valuation practice, overseeing all derivatives, MSR and securities valuation specialists as they support Deloitte & Touche's audit practice. Bill holds a Master in Business Administration from the MIT Sloan School of Management, with a focus on financial engineering and strategy. Bill is a CPA in California and New York, is a CFA Charter holder, and holds both the FRM and Accredited in Business Valuation (ABV) designations.

**Josh Forgione** is a partner in Ernst & Young LLP's US Professional Practice Department and is based in Washington, DC. Josh joined EY after serving on the staff of the Securities and Exchange Commission (SEC) and interacts regularly with the SEC staff to resolve issues involving financial accounting and disclosure matters and the interpretation and application of SEC rules and regulations. Prior to being admitted as a partner to EY, Josh served as an Associate Chief Accountant in the SEC's Office of the Chief Accountant. Here, Josh served as a subject matter specialist for accounting matters in the areas of business combinations, consolidations, debt and equity, leasing and revenue recognition. These responsibilities included following the activities of various professional accounting standard setting bodies both within the United States and internationally, consultations with registrants on accounting and reporting matters, and participation in the development of the Commission's and other standard setting bodies' rule proposals. Josh earned a Bachelors of Science degree in Accounting from George Mason University. He is a Certified Public Accountant in Washington, DC and a member of the American Institute of Certified Public Accountants.

**Angela Newell** has 20 years of experience in both auditing and operational and financial reporting. Prior to joining BDO, Angela most recently served as the Vice President – Corporate Controller for Fiesta Restaurant Group, Inc., a publicly traded restaurant company created in 2012 through the spin-off of its two brands from a former parent company. Prior to Fiesta, Angela served as the Vice President of Revenue Assurance and Corporate Controller for Clearwire Inc., a publicly traded provider of wireless internet services that is now part of Sprint. Angela began her career in auditing with a large national firm, including a short rotation in their national office.

In her role at BDO, Angela is responsible for working with audit engagement teams to determine the appropriate accounting for a variety of topics. In addition, she will play a key role in the Firm's response to the new revenue recognition and leasing standards. Angela previously served a four-year rotation on the Financial Reporting Executive Committee of the AICPA as an industry representative, and currently serves as a member of the AICPA's Revenue Recognition Working Group. Angela is a member of the American Institute of Certified Public Accountants, Certified Public Accountant in the states of Arkansas and Texas, Chartered Global Management Accountant. She holds a M.S. Accounting, University of Arkansas and B.S. Mathematics, University of Arkansas.

**Mark Northan** is a partner in KPMG's Audit Quality and Professional Practice Group with over 20 years of experience working with the financial services industry. Mark is currently the co-chair of the Financial Instruments Topic Team. Mark also focused on technical accounting for debt, equity, EPS and fair value measurements. From June 2009 through June 2014, Mark was a partner

in KPMG's Charlotte office. He was primarily responsible for supervising audit and advisory engagements at large financial institutions. From July 2006 through June 2009, Mark was a partner in KPMG's Department of Professional Practice. He rejoined the Department in July 2006 after completing a two-year appointment as a Professional Accounting Fellow in the Office of the Chief Accountant at the U.S. Securities and Exchange Commission. Mark was the head of the Fair Value and Debt-Equity Topic Teams in DPP. Mark also focused on technical accounting for financial instruments including securitizations and derivatives.

At the SEC, Mark's responsibilities included consultation with registrants on accounting and reporting matters, the study and development of rule proposals under the federal securities laws, and liaison with the professional accounting standards-setting bodies.

Mark received a B.S. in Accountancy from Wake Forest University. Mark is a member of the AICPA and a certified public accountant in New York and North Carolina.

**Bill Schneider**, CPA, CGMA is an Audit Director at AT&T. Bill is a member of the AICPA, GSCPA and TSCPA, and currently serves on the TSCPA Executive Board, the TSCPA Professional Standards Committee, and the AICPA Financial Reporting Executive Committee. Bill previously served as President of the GSCPA in 2006-2007; a member of the AICPA Council from 2006-2013; a member of the AICPA Board of Directors from 2009-2012; and Chairman of the Dallas CPA Society from 2016 – 2017. Bill also previously served on the AICPA Revenue Recognition Task Force for the Telecommunications Industry, the Advisory Council for the revision of the COSO Internal Control – Integrated Framework, and the International Federation of Accountants Professional Accountants in Business Committee.

**Jay Seliber** is an Assurance partner in PricewaterhouseCoopers' National Accounting Services group. In this role, Jay provides assistance to clients across the country on their most complex accounting matters, particularly in the areas of revenue recognition, mergers and acquisitions, stock compensation, employee benefits, restructurings, impairments and financing transactions. Additionally, he spends considerable time developing communications to apprise clients, directors and PwC professionals of recent developments in financial reporting, regulatory and accounting standards, and is a frequent presenter at client events and outside training programs, as well as contributor to external publications. Jay has also previously led audits of multinational and early stage companies in a variety of technology, manufacturing and service sectors. He has experience with initial public offerings and debt offerings and has worked with numerous business combinations and dispositions. A graduate of the Wharton School of the University of Pennsylvania, Jay is licensed as a CPA in New Jersey, New York, Massachusetts and California.

**Jeff Sisk** is the Executive Director – Accounting Policy and Research for Cummins Inc. His primary responsibilities include establishing and maintaining world-wide accounting policies, monitoring the activities of the various standard setters and providing counsel to various internal customers on the accounting implications of significant transactions. He has been with Cummins for 13 years. Prior to Cummins he spent 13 years with Arthur Andersen, 11 in the Audit Practice and 2 in the National Office focusing on SEC Reporting matters. Jeff graduated from Indiana University with a B.S. Degree in Accounting and is a member of the AICPA and FEI.

**Lynne Triplett** is the partner-in-charge of Grant Thornton's Accounting Principles Group and has more than 25 years of public accounting experience. She has overall responsibility for monitoring the activities of the standard setters and developing communications and training programs on accounting pronouncements. Lynne also leads the firm's group focused on the new revenue recognition standard and assists clients in resolving technical accounting matters. Lynne received a Bachelor of Science degree in Accountancy from Arizona State University, is licensed in Illinois and is a member of the American Institute of Certified Public Accountants and the Illinois CPA Society.

**Jeremy Whitaker** has served as Lantronix' Chief Financial Officer since September 2011. Lantronix is a publicly-traded specialized networking company providing smart machine-to-machine connectivity solutions for the Internet of Things. Mr. Whitaker returned to Lantronix after serving as Vice President, Corporate Controller at Mindspeed, a publicly-traded fabless semiconductor company, from January 2011 to September 2011. Prior to Mindspeed, Mr. Whitaker served as Vice President of Finance and Accounting for Lantronix from September 2010 to January 2011, where he was responsible for managing all worldwide finance and accounting functions. Mr. Whitaker also served as Lantronix' Sr. Director of Finance and Accounting from February 2006 to September 2010 and its Director of Finance and Accounting from August 2005 to February 2006. Prior to August 2005, Mr. Whitaker held vice president and director level finance and accounting positions with two publicly-traded companies, Impac Mortgage Company and Remedy Temp. Prior to that, Mr. Whitaker served as an Audit Manager during his six years at Ernst & Young LLP. While at Ernst & Young, Mr. Whitaker served a variety of public and private clients in the technology, medical device, manufacturing, and hospitality verticals. Mr. Whitaker earned a bachelor's degree in accountancy from California State University Fullerton and a master's degree in accountancy, from University of Notre Dame's Mendoza College of Business. Mr. Whitaker is an active CPA.

**Mike Winterscheidt** is the Chief Accounting Officer for Scientific Games. His teams are responsible for technical accounting application and issue resolution, external reporting, accounting policy interpretation, and the consolidated close and reporting processes, including the company's accounting operations. He is actively involved in the AICPA Gaming Industry Task Force on Revenue Recognition.

Prior to joining Scientific Games, he was the VP and Corporate Controller for Caesars Entertainment where he had similar responsibilities. Prior to his time at Caesars, Mike held Director roles at both Delta Airlines and Microsoft Corporation with day-to-day ownership over the same accounting functions. While at Delta, he was actively engaged as a representative of the airline industry on many technical issues including the new Revenue Recognition and Leasing Standards. Prior to Microsoft, he was the Director of Finance for a high-tech startup where he led its IPO process culminating in the company's March 2000 Initial Public Offering. He was responsible for all technical accounting and reporting. He started his career as a manager with Arthur Andersen LLP in its Memphis and Seattle offices, primarily working in the technology sector and SEC registrants.

Mike received his bachelor's and Master's degrees in Accounting from Mississippi State University. He is a licensed CPA in the state of Washington and a member of the AICPA and Nevada Society of CPAs.

**Aleks Zabreyko** is Partner and Head of Professional Practice at Connor Group. In his role, Aleks is responsible for managing the firm's quality and professional risk function. He also advises clients and other Connor Group professionals regarding the accounting implications of complex transactions, including areas such as revenue recognition, business acquisitions and dispositions, capital markets, cross-border transactions, stock compensation, inventories, financial instruments, SEC reporting and regulations, and other complex or unique transactions. Over his career, Aleks has developed in-depth knowledge of issues affecting early and venture stage private and small and mid-size public companies in technology, software, cloud, virtual world, other services, biotechnology and pharmaceutical industries, including both US GAAP and IFRS. He leads Connor Group client services related to adoption of new revenue recognition rules (ASC 606), presents on various accounting issues at conferences and webinars, and oversees development of the firm's accounting thought leadership content. Prior to joining Connor Group in 2009, Aleks spent 17 years with Ernst & Young audit practice. He is a Certified Public Accountant (California) and Fellow Chartered Certified Accountant (the United Kingdom). He is also a member of CalCPA's Audit Practice and Accounting Standards committee.