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AICPA Fall Meeting of Council & Annual Members' Meeting
Sunday, October 21 – Tuesday, October 23, 2018

The Ritz-Carlton, Amelia Island
4750 Amelia Island Parkway
Fernandina Beach, FL 32034

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS**FALL COUNCIL & ANNUAL MEMBERS' MEETING****OCTOBER 21-23, 2018****Amelia Island, FL****MINUTES OF MEETING****INDEX**

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A meeting of the Council of the American Institute of Certified Public Accountants convened at 2:00PM Sunday, October 21, 2018, at the Ritz-Carlton in Amelia Island.

Eric Hansen, Chairman of AICPA Board of Directors, presided.

Attendance

A record of attendance for the Council is listed in **Appendix A** in the official minute records of the AICPA.

Sunday, October 21, 2018

Welcome and Opening Remarks by the Chairman of the AICPA Board of Directors

Eric Hansen, Chairman of the Board, began by welcoming everyone to the AICPA's 2018 Fall Council and Annual Members' Meeting. The Chairman declared a quorum to be present, outlined the agenda for the meeting, and moved to the first agenda item.

Approval of the Minutes from the 2018 Spring Meeting of Council

Upon a motion duly made and seconded, the minutes of the May 20-22, 2018 meeting of Council were approved.

Election to Fill Elected Council Member Vacancies

Mr. Hansen announced the nomination of Jeff Cooper of Nevada, Judy Anderson of Delaware, Amanda O'Rourke of Washington, and John Micalizzi of Massachusetts to fill the unexpired terms of Frederick Hipwell of Nevada, Valerie Middlebrooks of Delaware, David Minikin of Washington, and George Knebel of Massachusetts respectively. Upon a motion duly made and seconded, the members of Council approved the election of Mr. Cooper, Ms. Anderson, Ms. O'Rourke, and Mr. Micalizzi to fill the vacancies for the duration of the unexpired terms.

Presentation of the AICPA Gold Medal Award of Distinction

Mr. Hansen recognized the 2018 Sustained Contribution Award Winners, who have more than 20 years of service to the AICPA.

Mr. Hansen noted the AICPA Gold Medal Award of Distinction is the highest honor bestowed by the AICPA to a member. He acknowledged past Gold Medal recipients in attendance and introduced Mr. Jack Finning, a member of the Awards Committee and fellow Council member, to present the Gold Medal to this year's recipient, Lester McKeever. Mr. McKeever thanked everyone for their service to the profession and to the

committee for selecting him as this year's recipient. Mr. McKeever thanked his family, his firm, and the Illinois Society for support throughout his career, and challenged everyone to address diversity and division in the profession as well as the country.

Guest Speaker on Politics – Charlie Cook

Charlie Cook, political analyst and founder of the *Cook Political Report*, provided Council with an in-depth look into American politics, both historically and present day.

Enhancing Audit Quality

Sue Coffey, Executive Vice President - Public Practice, delivered an update and overview of the Enhancing Audit Quality Initiative, which serves the public interest and helps to position the profession for the future. She outlined the issues found in recent data collection and analysis and the Institute's response to ensure an effective Peer Review Program. Ms. Coffey concluded her presentation with a summary of the areas of focus for 2019.

Accredited in Business Valuation (ABV) Panel and Discussion

Mr. Hansen, joined by Barry Melancon, President and CEO, recounted the history of opening the ABV credential to Other Qualified Professionals (OQPs) through Council's vote held at the 2018 Spring Council meeting in Tucson, and outlined the current environment.

Mr. Melancon introduced panel members Neil Jay from Oklahoma, Kevin Yeanoplos from Arizona, Tom Hilton from Missouri, Bethany Hearn from Illinois; facilitator, Vice Chairman – Bill Reeb, and guest Jimmy Williams, Chairman of the National Accreditation Commission.

Mr. Reeb and the panelists discussed the pros and cons of opening the ABV credential to OQPs and opened the floor to members of Council and guests for further discussion and questions. At the conclusion of the open forum, Mr. Hansen presented a motion, submitted by Neil Jay, to amend Council's prior resolution:

That the previous vote by the AICPA Governing Council on May 22, 2018 to allow non-CPA's, also known as other qualified professionals ("OQP's"), to obtain the Accredited in Business Valuation specialty credential be suspended until the following steps are performed and the points are resolved accordingly.

1. Direct the ABV Credential Committee ("ABVCC") to obtain input during a 30-day comment period from all ABV credential holders that held the credential on May 22, 2018 ("existing ABVs") in regard to opening the ABV credential up to OQPs.

2. As part of the 30-day comment period, determine the percentage of existing ABVs that support allowing OQPs to obtain the ABV credential by conducting a poll of all existing ABVs.
3. Direct the ABVCC to make a recommendation to the NAC based on the input from existing ABVs as follows:
 - a. In the case that more than 50% of existing ABVs responding to the poll oppose allowing OQPs to obtain the credential, the ABV/OQP program suspension will become permanent.
 - i. Should the ABVCC recommend that the program suspension be permanent, they may recommend that the NAC consider creating a new credential for OQPs and this credential must be clearly distinguishable from the existing ABV credential.
 - b. In the case that less than 50% of existing ABVs responding to the poll oppose allowing OQPs to obtain the credential, the ABV/OQP program suspension will end and the program will be reinstated according to the motion original passed on May 22, 2018.

Upon a motion duly made and seconded, Mr. Hansen, opened the floor to Council members to discuss the motion prior to calling a vote.

Mr. Hansen provided an overview of the motion again prior to calling for a vote. After a voice vote, the motion to amend the prior resolution failed to carry.

The Sunday session of the 2018 Fall Meeting of Council concluded at 6:24PM.

Monday, October 22, 2018

Opening Remarks

Mr. Hansen opened the meeting and declared the Annual Members' Meeting of the AICPA to be in session and gave an overview of the day's agenda.

Report from the President and CEO

Barry Melancon, President and CEO, spoke to Council members about the rapid changes in technology and their current, and future, effects on business and the accounting profession. He noted, while there is concern about how technology can affect the profession, there is also a greater opportunity to leverage technology to enhance the profession.

Mr. Melancon shared three key areas of opportunity within various practice areas and the steps that can be taken to prepare for the future: technology, trust, and talent. Mr. Melancon reported on the thought leadership and activities AICPA and CPA.com are making regarding artificial intelligence, blockchain, data analytics, and cryptocurrency.

Mr. Melancon spoke about various practice areas and where members and firms can focus on using technology to provide higher value services that meet the needs of clients and organizations.

Mr. Melancon defined areas where members can build their skills to better understand and use technology to deliver on new service areas, as well as broaden the subject areas they are able to serve.

Mr. Melancon also provided an update on the Dynamic Audit Solution (DAS) project, cybersecurity, management accounting, CPA pipeline, reputation and awareness CPA, advocacy, the definition of attest, firm mobility, and enhancing the member experience.

Open Forum

Mr. Hansen and Mr. Melancon invited comments and answered questions from members of Council and guests.

Update from the National Association of State Boards of Accountancy (NASBA)

Ted Long, Chairman of the National Association of State Boards of Accountancy (NASBA), provided an update on current NASBA initiatives, including recent challenges and subsequent progress, continued efforts on fighting deregulation, and technological evolution within the profession.

Lessons learned from 10 years of Leadership Academy

Mark Koziel, Executive Vice President – Public Accounting, and Lindsay Stevenson, Chair – Young Member Leadership Committee, shared the historical journey of the Leadership Academy with Council and the importance of engaging younger members in the profession. Mr. Koziel noted the expansion of the Leadership Academy program into the UK holding its inaugural class in 2018.

Mr. Koziel and Ms. Stevenson noted how all types of diversity contribute to a successful Leadership Academy. In addition, a large number of Leadership Academy graduates are volunteering either at their state CPA society or AICPA, and even more have been involved in networking as a result of attending the Leadership Academy.

CPA Licensure Conversation on the Current Environment

Skip Brazier, Vice President – State Regulatory & Legislative Affairs, and Mark Peterson, Executive Vice President – Advocacy, informed Council of the growing trend in occupational licensing reform across the United

States. Mr. Braziel and Mr. Peterson shared how the broad nature of the bills, generally motivated by sentiments of deregulation, introduced in state legislatures could create unintended consequences and challenges for the profession.

Engaging Practitioners and Professors to Enrich the CPA Pipeline

Tracey Golden, Partner – Deloitte, Guido Geerts, Professor and EY Scholar at University of Delaware, and Yvonne Hinson, AICPA Academic in Residence, participated in a panel led by Joanne Fiore, Vice President – Professional Media, Academic and Student Engagement on how practitioners and professors can help strengthen the pipeline for the CPA profession. The panelists reviewed programs and projects that link universities and faculty to practice and practitioners, and they discussed how the profession can work more closely with universities to better ensure students are ready for careers upon graduation.

Guest Speaker – Hamish Taylor

Hamish Taylor, former CEO for Eurostar and Sainsburys Bank, spoke to Council about best practices in putting the member at the forefront of the business.

The Monday session of the 2018 Fall Meeting of Council and the AICPA Annual Members' Meeting were adjourned at 5:00pm.

Tuesday, October 23, 2018

Opening Remarks

Mr. Hansen opened the session and reviewed the upcoming day's agenda items.

Update on the Association of International Certified Professional Accountants

Mr. Hansen, Chair of the Association of International Certified Professional Accountants, updated Council members on the Association's mission, to drive a dynamic accounting profession here and abroad in order to accelerate opportunity and amplify the impact on the clients, businesses and communities the profession serves. He noted there is continued interest in the US CPA internationally, shared an updated on global advocacy efforts, and noted various other international events taking place to help the Association's mission.

Supporting Technology Driven Transformation for Firms

Erik Asgeirsson, CEO and President of CPA.com, shared key technology trends and drivers for all areas of practice with Council. He shared solutions to help firms evolve their practices, the research initiatives taking place around technology, and how the organization is looking at the broader technology ecosystem outside of the accounting marketplace to encourage different ways of thinking.

Increasing Member Value for Next Generations with Table Discussion

Bill Reeb, AICPA Vice Chair, and Lawson Carmichael, Chief Operating Officer, addressed the changing nature of the profession, firms and employers and the emergence of Generation Z in the workforce. They engaged Council in strategic tabletop discussions on how to evolve the value proposition to best serve the profession, looking ahead to 2025.

Report on Finance and Operations

Rick Niswander, Chair of the Audit and Finance Committee and CFO of East Carolina University, and Scott Spiegel, Chief Financial Officer, reported on the current forecast for the Association of International Certified Professional Accountants, highlighted membership trends, gave an update on the staff pension plans, and provided information on select key initiatives within the Association.

Benevolent Fund Update

Lonnie Stockwell, Benevolent Fund President, updated Council on current impacts of the Benevolent Fund, gave anonymous examples of fund recipients, and how members can assist the work of the Benevolent Fund.

Nominations Committee Election

Kimberly Ellison-Taylor, Chairman of the Nominations Committee put forth the slate of At Large members to serve on the Nominations Committee for the coming volunteer year. Upon a motion duly made and seconded, Council unanimously approved the election of the AICPA Nominations Committee members.

Closing Remarks

There being no further business, Mr. Hansen thanked the members of Council and Association staff, and stated the Spring Meeting of Council is scheduled for May 19-21, 2019 at the JW Marriott in Washington DC.

The meeting was adjourned at 11:00am on Tuesday, October 23, 2018.