

# Annual Meeting

JUNE 2019



# TXCPA ANNUAL MEETING OF MEMBERS AND BOARD OF DIRECTORS MEETING

## Harnessing the Power of Community and Connection

By Rhonda Ledbetter, TXCPA Volunteer and Governance Specialist

CPAs know the power of community and connection to lift their career. At the Annual Meeting in June, TXCPA members came together to receive the knowledge and inspiration they need to be a driving force. They left with the motivation to be the vanguard helping propel CPAs toward a more prominent advisory partnership role.

### Reimagine: The Changing Landscape of the Profession

Thought leader [Barry Melancon, CPA, CGMA, AICPA president & CEO](#), challenged the group to rethink the profession amid a world moving at turbo speed. Technology is changing in the blink of an eye and disruption is the new normal in every aspect of life. The opportunities for CPAs are immense.

He discussed once-solid businesses that have crumbled recently and drew parallels to what could happen to the CPA brand. He pointed out that those companies had a significant role in improving the well-being of society and were on the leading edge ... but paused and lost so much momentum they couldn't continue. They underestimated the rate of change, which is a risk that CPAs can't afford. He pointed out that the profession as it's known today isn't what it has always been and was shaped by visionaries who could see beyond the horizon.

After discussing the present day, he moved on to thoughts about creating the future. A large number of the nation's biggest accounting firms have come together with AICPA to look at ways to redesign and constantly reinvent the audit model. Tens of millions of dollars have been invested in the [Dynamic Audit Solution](#) initiative, which will leverage big data and robotics to transform auditing. Key elements will include methodology, technology, competency and standards, with tech exploding as the greatest element of change.

Melancon then turned his attention to the most important asset: people. According to the recently released [2019 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits](#) report, there is a trend toward firms hiring fewer accounting graduates and more staff with advanced tech skills –

### Evolving Roles

CPAs must constantly think about ways that technology can replace their output. For instance, accountants doing tax work should have the expectation that the next generation will think of tax as a byproduct, not as an issue that drives their thinking. The CPA must be a trusted advisor, not stay in a compliance role, and have the ability to counsel employers and clients about dealing with uncertainty.

increasingly hiring from industry to provide intensified client service.

Attest is currently the core service the profession offers. That will face a challenge as business changes. Will the CPA brand be redefined to include more technical expertise and less detailed accounting/audit knowledge? He provoked thought by posing the question of what type of professional would be best equipped to lead a future audit of a company such as Apple.

**When it comes to winning with innovation, it's about thinking small and consistently making decisions that have a strategic impact.**

### Leading with Innovation

Scott Steinberg, president & CEO of BIZDEV, spoke about how to future-proof yourself, fearlessly innovate and succeed in the new normal. These are demanding and unpredictable times. You must be ready to adapt, juggle and understand the process of managing change. The key is to stay relevant and resilient.

Steinberg said that evolutionary changes are more effective than revolutionary ones. For sustainable

innovation, it's important to understand how to create a framework for success.

Think big – start small – learn fast. Maybe just a slight shift in strategy is what will catapult you to the next level. This is the best time to put systems and solutions in place to listen to the marketplace from the bottom up. He closed with a quote from Jack Welch, "An organization's ability to learn, and translate that learning into action rapidly, is the ultimate competitive advantage."

## Positioning the Profession

An educator's perspective on positioning the profession was given by Anu Varadharajan, a former lecturer at Tulane University. In an interactive session, she involved participants in sharing ideas about external factors that have changed: technology, globalization, more standards and increased scrutiny of work product.

The group looked at how the accounting career landscape has been altered by a dramatic increase in the frequency of job changes among young workers. In addition, corporate culture has shifted, because those individuals are very comfortable interacting with supervisors and management and stating what they want as employees.

The conversation moved to where the profession is going and what its future looks like. A constant is that CPAs continue to be competent and ethical, but new career paths have opened up, with options such as data analytics, mergers and acquisitions, and treasury.

In addition to students and candidates, other stakeholders playing an important role in the future include employers, professional associations, educators and businesses:

- Employers – especially CPA firms – have an impact on the profession's future by the work culture they promote.
- Professional associations can be the driving force for changing perceptions, with members visiting classrooms in a fun and creative way to share their experiences.
- Educators can show students how the information they're learning will translate into real-world applications; they should bring into the classroom CPAs who are doing innovative work.
- Businesses have a role by viewing accounting professionals as collaborative advisors who should be at the table before decisions are made – not just the finance watchdogs.

A challenge was issued for each CPA to go back to his/her community and personally tell at least three young people how they can have any career they want with a CPA certificate. The sky's the limit!

## CPA Evolution

A joint project between the National Association of State Boards of Accountancy (NASBA) and AICPA is focused on [evolving CPA licensure](#) to reflect the skills and knowledge increasingly needed in a technology-driven marketplace.

According to the World Economic Forum, job roles in traditional accounting, bookkeeping and auditing are expected to decline. However, roles involving technology and business intelligence are expected to become more prominent. The job of CPA leaders is to embrace these changes and include the skills and competencies that ensure a vibrant and relevant profession.

Clients are demanding services that require knowledge in technical areas, such as information technology, cybersecurity, IT governance and data analytics. In response, the profession is evolving its core services to better meet the public's, clients' and employers' needs.

NASBA and AICPA asked how we can make sure the CPA profession is relevant years from now. The answer is the CPA Evolution initiative.

How do we get there? NASBA and AICPA developed five principles to guide the development of any new licensure model, which were reviewed at the Annual Meeting.

Participants met in groups and feedback about the principles was collected. (TXCPA provided feedback to NASBA and AICPA in August). Sample licensure models will be developed for consideration at AICPA's Fall Council meeting. These sample models will also be distributed to profession stakeholders for further discussion.

### TXCPA Priorities for 2019-20

Please see the [Chairman's Message](#) in the July/August 2019 issue of *Today's CPA* to learn more about TXCPA's five priorities for 2019-20, which were unveiled at the meeting:

- Engaging the next generation of CPAs,
- Enhancing state and chapter collaboration,
- Extending our brand to promote the profession,
- Expanding digital learning opportunities,
- Educating stakeholders on the importance of professional licensing.

## CPE Foundation – What’s New for Members

During the annual meeting of the TXCPA CPE Foundation, Chair of the CPE Advisory Board Edie Cogdell, CPA-San Antonio, CGMA, shared an update on the dynamic Learning Management System (LMS). CPE offerings can be grouped into two categories: [live events](#) and [online](#), with three delivery methods.

Within live events, CPE content is available through attending in-person or via webcast. The LMS platform is used to broadcast a live event that provides learners with the ability to interact with the instructor via chat or email. On-demand courses can be taken at any time and do not depend on instructor availability. These are also delivered through the same LMS platform.

As of publication time, there are already almost 100 titles that are either TXCPA-produced courses or are in the production pipeline, providing a strong, competitive range of quality content from local experts in the current market.

Two new delivery options are the [TXCPA Passport](#) and [Webcast Pass](#), allowing unlimited access to a specially selected group of courses. While the base continues to be live events, the courses available through the LMS platform comprise approximately one-third of total course delivery.

TXCPA is committed to developing a well-balanced curriculum, with accounting and auditing, tax, business and industry, and nonprofit organization topics among those under development. Using member feedback, TXCPA is continuing to provide Texas-focused, state-specific CPE offerings.

### Peer Assistance Foundation Early TXCPA Champions

Mason Backus, CPA

John Beall, CPA

Rex Cruse, JD, CPA

Morris Johnson, CPA

Tim LaFrey, JD, CPA

## Peer Assistance Foundation

Steve Mize, CPA-Fort Worth, CGMA, conducted the annual meeting of the Peer Assistance Foundation. The organization’s mission is to inform Texas CPAs and accounting students about chemical dependency and mental health issues and assist in their recovery.



TXCPA's 2019-2020 Chairman Lei Testa, CPA-Fort Worth, CGMA

This year is the 25th anniversary of the foundation’s formation. The efforts of its early champions to help establish the entity ensures that TXCPA can offer programs such as the [Accountants Confidential Assistance Network \(ACAN\)](#) – a statutory peer assistance program specifically dedicated to helping Texas CPAs, CPA candidates and accounting students. Please see the Take Note section in this *Today’s CPA* issue for more information on the foundation’s 25th anniversary.

## Accounting Education Foundation

The President of the [Accounting Education Foundation](#) Board of Trustees, Art Agulnek, CPA-Dallas, provided an update on the work of the foundation. Some of the projects include:

- Underwriting the Accounting Education Conference, an event where educators network and obtain relevant continuing professional education;
- Making a contribution to the AICPA Minority Scholarships, with \$30,000 given to students in Texas; and
- Awarding \$2,500 scholarships to 50 qualified accounting students at Texas universities.

To help the foundation continue to thrive, the trustees sold dream vacation raffle tickets during the Annual Meeting. The net raised was more than \$26,000. [Tax-deductible donations](#) can be made throughout the year (login required).

**2019-2020 Executive Board**  
**Go to TXCPA's website**

**TXCPA Award Recipients and Criteria**  
**Go to TXCPA's website**

Also, please see the Chapters column in this *Today's CPA* issue for highlights from the Outstanding Chapter Awards.

## CPA-PAC

[CPA-PAC](#) Chair Jesse Dominguez, CPA-Austin, CGMA, stated that part of TXCPA's legislative success can be attributed to the many members who contribute to the PAC. Thanks to their participation, the TXCPA CPA-PAC can financially support business-friendly legislative candidates across the state.

The 2020 election season has begun. The PAC must be able to continue to support legislators and candidates who understand the importance of a sound Texas economy and the crucial role of CPAs in preserving the state's business climate.

Dominguez highlighted the 2019 calendar-year fundraising goal, and he encouraged members to mobilize in their chapters and use the rest of the year to exceed their target amounts.

## Business Matters

The 2018-2019 financial report was given. 2019-2020 Treasurer Billy Kelley, CPA-Permian Basin, CGMA, presented budgets for the new fiscal year, which were approved.

During the annual meeting of the Accountancy Museum of the Texas Society of CPAs, Inc., [2019-2020 directors were elected](#).

## Plan Now for Future Gatherings

Deepen your TXCPA engagement at the Midyear Board of Directors and Members Meeting in Houston Jan. 24-25. Watch the weekly Viewpoint e-newsletter for information.

Fort Worth is the site for the 2020 Annual Meeting of Members and Board of Directors Meeting, June 26-27. There will be speakers, ideas and connections to ignite your career. Plan to be there!

