

TSCPA Midyear Board of Directors Meeting



TSCPA's 2015-2016 Chairman Allyson Baumeister, CPA-Fort Worth.



Larry Edgerton, CPA-Permian Basin; TSCPA's Executive Director/CEO John Sharbaugh, CAE; Gary McIntosh, CPA-Austin; and AICPA's Senior Vice President Arleen Thomas, CPA.

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By Rhonda Ledbetter, Chapter Relations Representative

Members of the TSCPA Board of Directors met in El Paso Jan. 29-30 to conduct Society business and obtain profession information.

Chairman's Report

Chairman **Allyson Baumeister**, CPA-Fort Worth, summarized progress on the organization's projects during the 2015-2016 fiscal year to date. She said that membership statistics represent a big success. There was growth of almost 4 percent at the beginning of the fiscal year, for a total of almost 28,000 members. It was due in large part to the new automatic free membership program. Chapters have been doing an excellent job of engaging these new CPAs locally, and TSCPA is closely watching the renewal rates for these new members.

As part of a continuing focus on increasing diversity and inclusiveness in the profession, the Executive Board met with representatives from the National Association of Black Accountants, the Association of Latino Professionals in Finance and Accounting, and Ascend, the organization for Pan Asian business professionals.

TSCPA uses several social media channels to increase brand awareness and connect with members, as well as to connect members with each other.

The CPE Foundation has been taking a fresh look at how to provide timely, quality and convenient education. Six CPE conferences were webcast in 2015, giving members the option of attending live or watching from virtually anywhere. In response to a report from the Department of Labor regarding audits of employee benefit plans, a task force was formed to plan a new conference. The CPE Advisory Board sent a comment letter to the National Association of State Boards of Accountancy and American Institute of CPAs (AICPA) regarding an exposure draft of recommended changes to CPE standards.

In November, AICPA's Peer Review Board released an exposure draft, *Improving Transparency and Effectiveness of Peer Review*. It includes several proposed changes. An AICPA resolution hotline has been established to help resolve disagreements between reviewed firms and reviewers.

The Young CPAs and Emerging Professionals (YEP) Committee created TSCPA's first CPA Day of Service in 2015. With the support of chapters and members' employers, hundreds of volunteers helped their communities. To grow the project, the committee is expanding it into a month of service and moving it to November.



The anniversary of TSCPA's founding was observed in Fort Worth at the end of October. The celebration included a YEP Conference, where all CPA members could obtain eight hours of free CPE live or via webcast. There was also a special

reception at a downtown rooftop terrace.

Read the "Year in Review" article in the upcoming May/June issue of *Today's CPA* for details about TSCPA's achievements on behalf of members.

AICPA Update and New Joint Venture with CIMA

Senior Vice President **Arleen Thomas**, CPA, discussed the CPA pipeline and the evolving accounting profession. She highlighted AICPA initiatives to grow, promote and protect the CPA and core of the profession.

She then provided an overview of AICPA's proposal to expand its joint venture with the Chartered Institute of Management Accountants (CIMA). AICPA and CIMA created the Chartered Global Management Accountant (CGMA) designation in 2012 for CPAs who work in management accounting. Last October, AICPA Council voted to expand the availability of the CGMA credential in the U.S. to qualified non-CPAs and under the proposal, AICPA and CIMA would join forces to create a new accounting association. At the TSCPA Midyear Board of Directors meeting, the Board adopted a resolution of support for the expansion of this joint venture. The Board also approved a new affiliate member category, the Non-CPA CGMA Affiliate, which is defined as a non-CPA who holds the CGMA designation in good standing.

The Non-CPA CGMA category will complement other current non-CPA affiliate membership categories at TSCPA for non-CPA employees and non-CPA academics. Please see page 17 of this *Today's CPA* issue for more information on the new joint venture.



Janelle Jones, CPA-Houston, and Kathy Kapka, CPA-East Texas.



Larry Folwell, CPA-Abilene; Julie Folwell, CPA-Abilene; and Olivia Riley, CPA-Austin.



Dallas Chapter members Lisa Ong, CPA, and Jose Luna, CPA.

CEO Report

TSCPA's Executive Director/CEO, **John Sharbaugh**, CAE, shared a glimpse into the future and how it will affect the accounting profession. He explained that we live in "exponential times," a difficult concept for many to grasp, because we were taught to think in a linear way. He offered perspective on populations around the globe, job holders, number of Internet devices, disintermediation and the explosion in human knowledge. Four major trends affecting the future are: demographic, social, economic and technology.

We are living in the Shift Age, the successor to the Information Age. The three key forces are: the flow to global, the flow to individual and accelerating electronic connectedness. In our broadband world, the number of mobile computing devices sold is far outpacing non-mobile

ones. The CPA Horizons Project looked to the future of accounting. CPAs rated the top three trend domains as a high priority to be ready: the changing workforce, change management and innovation.

Few CPA firms are prepared to take advantage of the emerging trends, such as increased focus on client services and talent management. Small businesses want CPAs who collaborate, are a strategic partner, specialize in their industry and can work anywhere via technology.

Birth trends will affect CPAs, as well as every other profession. The college class of 2025 could be the largest ever. And the individuals in it will represent more diversity.

Tomorrow's digital finance organization was examined. Finance will be an insight engine for companies and will be composed of three key elements: analytics competency centers, integrated business services, and communications and control centers. To thrive, CPAs must be open to change. They must be nimble, collaborative and forward-thinking. Skills needed for the future are:

- Being tech savvy – able to utilize and leverage technology in ways that add value to clients, customers and employers;
- Leadership – able to influence, inspire and motivate others to achieve results;
- Communications – able to give and exchange information within meaningful context and with appropriate delivery and interpersonal skills;
- Strategic/Critical Thinking and Anticipation – able to link data, knowledge and insight together to provide quality advice for strategic decision making;
- Integration and collaboration and synthesis – able to engage others and work across boundaries to turn challenges into opportunities, including the ability to consider the whole picture (past, present and future context) and create alternatives and options for the future.

Engaging the Next Generation of CPAs

Dan Griffiths, director of strategic planning at Tanner LLC, led an interactive session on strategies for getting young workers engaged and productive. As with every generation entering the workforce, the Millennial generation brings a different set of expectations and challenges.

They look for meaning in their work and want to make a difference. They are drawn to companies that build philanthropy into their business model. Looking for authenticity and trustworthiness, they can quickly tell whether the truth is being told.

Innovation is a must. A static business model might be setting up tension between them and older work generations. CPA firms should move beyond tweaks to a wholesale revision of their value proposition.

Growth and development are important. Characteristics that differentiate great performers are:

- deep domain knowledge;
- willingness to retry difficult projects, even after initial failures;
- pushing themselves just beyond their current capabilities.

The best performers set goals that are not just about the outcome, but about the process of reaching the outcome.

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Figure 1. TSCPA Leaders for 2016-17

Terms begin June 1, 2016

Chairman-elect: *(Chairman in 2017-2018)*
Jim Oliver *(San Antonio)*

Treasurer-elect: *(Treasurer in 2017-2018)*
Jerry Spence *(Corpus Christi)*

Secretary: *(Beginning June 2016 and expiring May 2017)*
Janelle Jones *(Houston)*

Executive Board (Three-Year Term):
(Beginning June 2016 and expiring May 2019)
Tom DeGeorgio *(Houston)*
Jason Freeman *(Dallas)*

Director-at-Large (Three-Year Term):
(Beginning June 2016 and expiring May 2019)

Katy Avenson <i>(Austin)</i>	Ben Peña <i>(Rio Grande Valley)</i>
Leroy Bolt <i>(Abilene)</i>	Priscilla Soto <i>(San Antonio)</i>
David Colmenero <i>(Dallas)</i>	Shelly Spinks <i>(Central Texas)</i>
Travis Garmon <i>(San Angelo)</i>	Jesse Vick <i>(Permian Basin)</i>
Tram Le <i>(Fort Worth)</i>	Laura Williams <i>(Southeast Texas)</i>
Stephen Parker <i>(Houston)</i>	Veronda Willis <i>(East Texas)</i>

Donna Hugly *(Dallas)* was selected as a one-year replacement Director-at-Large (2016-17) for Jason Freeman *(Dallas)*.

Brad Brown *(Southeast Texas)* was selected as a replacement Director-at-Large to fill a one-year remaining term (2016-17) for Phil Davis *(Permian Basin)*.

Committee on Nominations:
(Beginning June 2016 and expiring May 2017)

Chuck Clark <i>(San Antonio)</i>	Amanda Johnson <i>(Fort Worth)</i>
Brad Elgin <i>(Houston)</i>	Ben Peña <i>(Rio Grande Valley)</i>
Olivia Riley <i>(Austin)</i>	Shelly Spinks <i>(Central Texas)</i>
Julia Hayes <i>(Southeast Texas)</i>	Mike Thomas <i>(East Texas)</i>
Kirby Jackson <i>(Dallas)</i>	Amy Twardowski <i>(Corpus Christi)</i>

As immediate past chairman of TSCPA, Allyson Baumeister *(Fort Worth)* will automatically serve as the Nominating Committee chair.

AICPA Council – Three-Year Term:
(Beginning October 2016 and expiring October 2019)
The following names will be submitted to the AICPA Nominating Committee as recommendations from Texas to serve on the AICPA Council:
Allyson Baumeister *(Fort Worth)*
Mitch Perry *(Dallas)*
Roxie Samaniego *(El Paso)*
Carol Warley *(Houston)*

AICPA Council – One-Year Designee:
(Beginning October 2016 and expiring October 2017)
Kathy Kapka *(East Texas)*

Chairman-elect Appointees:
Ratified by vote of the Board of Directors at this meeting

Executive Board <i>(One-year term – 2016-2017)</i>	Terri Hornberger <i>(Dallas)</i> Cory Joiner <i>(Panhandle)</i> Royce Read <i>(East Texas)</i>
Committee on Nominations	Donna Wesling <i>(Austin)</i>

Figure 2. CPA-PAC Awards

The following awards were presented to chapters for their work encouraging members to donate to the CPA-PAC.

Highest Percentage of Fund-Raising Goal
Large Chapter – Austin
Medium-sized Chapter – Central Texas
Small Chapter – Southeast Texas

Highest Percent Increase in Members Contributing
Large Chapter – Dallas
Medium-sized Chapter – East Texas
Small Chapter – Southeast Texas

Strategic Planning

Strategic Planning Committee Chairman **Michael Brown**, CPA-Central Texas, recapped the five objectives in the current plan:

- Professional Competency – Deliver knowledge and resources for best-in-class professional development;
- Career Success – Provide tools and resources to help members compete and thrive;
- Advocacy – Advocate for Texas CPAs by influencing decision-makers who affect our profession;
- Culture and Community – Inspire CPAs to advance the profession and serve their communities;
- Organizational Excellence – Maintain a world-class accounting association.

Details about projects achieving these objectives will be in the “Year in Review” article, May/June issue of *Today’s CPA*.

Other Business

A report on the current financial status of TSCPA and the CPE Foundation was presented. A motion was passed to increase the \$265 member dues rate to \$285. All other dues rates will remain the same. This will be effective for TSCPA’s 2016-17 fiscal year.

The Annual Meeting of the Accounting Education Foundation was conducted and trustees with terms beginning June 2016 were elected. A CPA-PAC report was given and 2015 chapter awards were presented.

The results of TSCPA’s electronic election for officers, Executive Board members, directors-at-large and Nominating Committee positions were announced. Also, the Board of Directors voted to ratify the chairman-elect’s appointees. See Figure 1 for the names of new 2016-17 leaders.

Upcoming Events

The 2016 Annual Meeting of Members will be held in Galveston at the Moody Gardens Hotel, July 1-2. The Sheraton Austin Hotel at the Capitol is the site for the next Midyear Board of Directors Meeting, Jan. 31-Feb. 1, 2017. ■