

**CALIFORNIA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS
COUNCIL MEETING
NEWPORT BEACH, CALIFORNIA
DRAFT MINUTES**

**Friday-Saturday,
January 25-26, 2008**

**Fairmont Hotel
Newport Beach, California**

Attendees

Teresa Mason, Chair

Robert Anderson
Loni Ang
Jenny Bolsky
Dennis Brach
Geoff Bremer
Gregory Burke
Carolina Camacho
Nancy Chandler
Patricia Cochran
Andrea Cope
John Costello
Violeta Cristobal
Daniel Crosbie
Conrad Davis
Michele Day
Ronald Durkin
Tara Eastwood
Joe Forlenza
Mary Kay Foss
Joel Framson
David George
Timothy Good
Karen Goodfriend
Barry Hensiek
Peggy Hesse
Scott Hofferber
Robert Johnston
Nai Hwang
Robert Johnston
Eduardo Jordan
Mel Kohn
John Lechleiter
Jeff Lenning
Tom Letus
Narelle MacKenzie
John McWilliams

Renee Miller
Daniel Morris
Charles Osaki
Marc Parkinson
Thomas Parry
Karen Pfau-Martinez
Rick Rayson
Monica Rebella
D. Paul Regan
Wendy Richards
Barbara Rosenbaum
Brian Rush
Larry Russell
John Samore
Jerry Sample
Diana Sanderson-Mori
Sharon Selleck
S.D. Senes
Marianne Sfredo
Rich Simitian
Johanna Sweaney-Salt
Daniel Thomas
Marleen Thudium
Gregory Verdon
David Veyna
Lynne Walline
Mark Willie
Steven Wimmers
Gregg Wind
Christopher Yahng
Dennis Young
Lucinda Young
Kathy Yu Liu
Jennifer Ziegler

Past-Chairs Present-Voting

Nancy Chandler
David George
Marc Parkinson
D. Paul Regan

Diana Sanderson-Mori
Steven Wimmers
Christopher Yahng

Past Chairs Present-Non Voting

Dennis Brach

AICPA California Delegation Present

Gregory Burke
Patricia Cochran
Conrad Davis
John Dodsworth
David George
Kate Leonard

Teresa Mason
John McWilliams
Marc Parkinson
Bryan Polster
D. Paul Regan
Steve Wimmers

Education Foundation Trustees Present

Patricia Cochran
Robert Jones
Michael Thompson

Staff Present

Loretta Doon
Bruce Allen
John Angelo
Sue Anderson
Vince Chin
Kurtis Docken
Gary Hammond
Tannis Kirschenbaum
Susan Klein
John Larkin
Linda McCrone

Lisa McTaggart
Sharon Mumford
Maria Nazario
Kathleen Phelan
Delia Rincon
Arnaldo Rodriguez
Clar Rosso
Cheryl Smith
Jeannie Tindel
Maria Yarmolinsky
Susan Young

Guests Present

Joe Bunker
Donna Bumgarner
Laura Cullen
Jeffrey Dottl
Craig Enos
Damon Fleming
Randy Fletchall
Margaret Fong
Perry Forschino

Carrie Hidding
Sharon Lightner
Stephen Masterson
Laura Olson
Laura Ritter
Rusty Roy
Wendee Shinsato
Michael Soza

Action Items

- The council approved the November 7, 2007 minutes.
- The council approved the prioritization of the strategic plan shown in the accompanying attachment.
- The council unanimously approved the budget for the 2008-09 fiscal year and a dues structure of: \$475 for executive and associate, \$375 for business/industry and professional > 5 years, \$325 for professional < 5 years, \$100 for retired/temporarily left work force, \$175 for educator, \$30 for student/candidate (after 1st year), and free for candidate (1st year).

Chair Report

Teresa Mason informed the Council of the passing of two past chairs who made substantial contributions to the profession, Don Gurse who served as chair 2000-01 and Ken Leaver who served 1981-82. The November 2007 council minutes were approved. The December board meeting was held at the Redwood City office which gave the board members the opportunity to meet with the staff. The Litigation Section has produced a helpful checklist for business valuations. YouTube has clips from the YEP conference, financial literacy, and financial leadership forum. They are worth viewing. Michael Eisenberg was acknowledged for receiving the AICPA's 2007 Personal Financial Planning Distinguished Service Award.

First Vice Chair Report

Greg Burke reported that our membership is increasing, currently at 31,020. Our retention rate remains high and 850 candidates became dues paying members this year. The next council and annual business meeting will be held in Hawaii, combined with an Education Foundation continuing education week. Due to the long flight to Hawaii, CalCPA will be paying for three nights of lodging for council members. The process for appointment of state committee chairs and members to state committees for the 2008-09 year has been moved up to complete it before tax season.

Strategic Objectives

The council reviewed and ranked in importance the strategic objectives developed at previous meetings. This prioritization of strategies will be reviewed by staff and the board of directors and tactics will be developed. This is considered a living document that may change over time. The council approved the prioritization of the strategic plan shown in the accompanying attachment.

Treasurer Report

Andrea Cope described the process for the 2008-09 budget which included the Finance Committee and meeting with staff to review projects and initiatives. The key initiatives that need to be funded are the mobility legislation to bring California into conformity with the UAA, accounting education programs and

conference, YEP, financial literacy and the financial leadership forum. The budget includes a slight increase in salary and an operating cost increase of 4%. The large increases are in hotel and food (25%), travel (10%) and occupancy (13%). A review was made of the dues for other CPA societies and other professional associations. The council unanimously approved the budget for 2008-2009 and a dues structure of: \$475 for executive and associate, \$375 for business/industry and professional > 5 years, \$325 for professional < 5 years, \$100 for retired/temporarily left work force, \$175 for educator, \$30 for student/candidate (after 1st year), and free for candidate (1st year).

Nomination Process

Paul Regan described the nomination process where each chapter is represented and five at-large representatives are elected by the council on a rotation basis. Candidates for the positions of chair, first vice chair and treasurer gave brief presentations. Karen Pfau-Martinez and Barbara Rosenbaum were elected this meeting to the at large positions on the Nomination Committee.

John F. Forbes Award

This award is given to the candidate in California with the highest score on the CPA Exam. This year there was a tie and one of the recipients, Wendee Shimsato, was presented with her award.

Education Foundation

Patricia Cochran reported that the Education Foundation is very involved in cross promoting the value of membership and is working together with CalCPA on many projects including YEP, financial leadership forum and financial literacy. She introduced the first doctoral scholarship recipient, Damon Fleming, who has completed his PhD and is teaching at San Diego State. He spoke to the council about his role in developing the next generation of accountants that members will be hiring.

Patricia Cochran announced the launch of the financial leadership forum dedicated to create deliverables that will reach members in industry. The forum has three courses to offer through the University of California Berkeley, Haas School of Business and is working on a similar relationship in southern California. Susan Klein is spear heading the forum for the Education Foundation. A virtual advisory panel has been formed to assist in feedback related to the forum.

CEO Report

Loretta Doon spoke of the focus of CalCPA and Education Foundation on service and value to members through advocacy, communication, networking, and education. Technological advances are CalCPA clips on YouTube, improved web casts, and utilization of virtual advisory networks. Public opinion is strengthened through effective radio ads and financial literacy outreach. The board voted at the December 2007 meeting to terminate the frozen defined

benefit plan. Employees currently have a defined contribution plan which will continue.

Open Forum

Open forum was held.

Leadership Institute Graduation

John Angelo introduced the third graduation class from the leadership institute. The graduates are: Donna Bumgarner, Vince Chin, Laura Cullen, Jeffrey Dottl, Craig Enos, Margaret Fong, Joseph Forlenza, Carrie Hidding, Laura Olson, Karen Pfau-Martinez, Wendy Richards, Laura Ritter, Rusty Roy, John Samore III, Johanna Sweaney Salt, Daniel Thomas, Michael Thompson, Christina Thornburgh, Marleen Thudium, and Kathy Yu Liu.

CalCPA Institute Report

Greg Burke reported on the academic education initiative. There is an increase in accounting students but a decrease in accounting professors. CalCPA is reviewing methods to get additional resources to college accounting departments and provide financial support to students pursuing masters and PhD degrees in accounting. Also, CalCPA is working to get more CPAs involved in college education advisory boards and finding ways for CPAs to be college instructors. The Illinois Society of CPAs has funded endowments for positions in college accounting departments and this is another possible direction.

AICPA Chair

Randy Fletchall, AICPA Chairman, gave a professional issues update.

Government Relations Report

Conrad Davis emphasized the importance of attending the upcoming day at the Capital on May 13, 2008. CalCPA is pursuing legislation to remove unnecessary obstacles to interstate practice. At least 22 states are pursuing legislation this year to remove the barriers and ten have already done so. This is the most critical legislative issue in decades and support is needed.

Meeting adjourned at 11:20 a.m.